密勒氏評論報

MILLARD'S REVIEW OF THE FAR EAST

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The Japanese Occupation of Tsinan

Japan's Newest Intrigue for Possession of China

By Hollington K. Tong

A Russian View of the Allies

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Ten Years' Trade With China

[Prepared by the Far Eastern Division, U. S. Bureau of Foreign and Domestic Commerce]

THE factors affecting trade with China are so many and so diverse that any consideration of trade statistics would be incomplete without a thorough knowledge of them. These factors may be briefly stated as the price of silver, ship tonnage and freight rates, high prices of foreign articles, internal dissensions, and floods.

In a capital-importing country like China the purchasing power of the people is directly dependent upon the amount of money received from foreign sources, either in exchange for products or as remittances from relatives abroad. As practically all of China's customers are on a gold basis, the relative price of silver in terms of foreign gold money amounts to practically the relative purchasing power which the Chinese people exert.

The equivalent of the haikwan tael, the unit in which the customs revenues and all other values are stated in United States gold, from 1908 to 1917 was as follows:

Years	Value of Haikwan tael	Years	Value of Haikwan tael
1908	$0.65	1913	$0.73
1909	.63	1914	.67
1910	.66	1915	.62
1911	.65	1916	.78
1912	.74	1917	1.03

This means that the Mexican silver dollar, or a "shoe" of silver (silver melted into the form of a shoe for convenience in transportation), or any other medium of exchange used in China, has increased in value more than 35 per cent in 10 years and this increase has taken place practically since 1915. The persons holding silver in 1917 were able to buy just 35 per cent more goods from a foreign country on a gold basis than they were with the same amount of silver in 1918. The value of Chinese products in terms of gold money has been correspondingly decreased.

In normal times the rise of silver would be expected to stimulate imports and depress exports, but in the past two years the chief effect of the rise in exchange has been the tightening of the money market, due to the great temptation offered to buy gold at favorable rates, thereby stripping the Chinese silver markets of currency. Moreover, the Chinese emigrants abroad, upon whose remittances a large number of their relatives at home depend, have been loath to send money at so great a loss in exchange and have likewise refrained from ordering their usual quantities of home-produced articles, and in this way the rise in silver has also acted adversely upon the purchasing power of the people in China.

The constantly decreasing tonnage available for any other than war trade and the resulting increase in freight rates has caused China to look to its own resources for raw materials and to sources close to home for manufactured articles.

Continued high prices of foreign articles which the Chinese were accustomed to import has in a great many instances forced the Chinese to substitute a home product for an imported one. Thus, the increased use of vegetable oil as a fuel oil to replace kerosene. Yet, where such substitution is impossible, as in the case of cotton goods, despite enormous increases in the price of such goods, the Chinese demand has remained consistent. The amount of cotton goods purchased in 1917 was more than $22,000,000 over that of 1916, thus proving that Chinese foreign trade is a hardy and rapid growth able to adapt itself to very unpromising circumstances.

China is a land of distances, even more so than America, with only a small area covered by railroads, and the great amount of inland commerce is carried on by boat and caravan. In troublesome times, such as the past 10 years, small groups of bandits or revolutionary leaders are able to greatly increase the risk of carrying on trade by serious and arbitrary restrictions, and sometimes by robbery and death. In some districts this has had the effect of stopping trade altogether for a number of months. China is also periodically visited by great floods which not only render the rivers unnavigable but ruin crops and consequently destroy wealth and purchasing power.

Bearing in mind the numerous factors affecting China's trade in the past 10 years the following table showing the proportion of China's foreign trade enjoyed by the United States during this time—as published in the second annual report of the proceedings of the American Chamber of Commerce in China, for the period ending April 1, 1918—presents an interesting comparison. (The original statistics in haikwan taels are given, as of more value for comparative purposes than if converted into gold at a different rate of exchange for each year.)

Years	Total	Imports from United States	Per cent of United States imports
	Haikwan taels	*Haikwan taels*	
1908	395,000,000	42,000,000	10.4
1909	418,000,000	33,000,000	7.7
1910	463,000,000	24,000,000	5.3
1911	472,000,000	40,000,000	8.7
1912	473,000,000	36,000,000	7.6
1913	570,000,000	35,000,000	6.2
1914	569,000,000	41,000,000	7.2
1915	455,000,000	36,000,000	8.2
1916	516,000,000	52,000,000	10.4
1917	549,000,000	61,000,000	11.1

Years	Total exports	Exports to United States	Per cent of United Stated exports
	Haikwan taels	*Haikwan taels*	
1908	276,000,000	23,000,000	8.3
1909	339,000,000	33,000,000	9.5
1910	381,000,000	31,000,000	8.5
1911	377,000,000	34,000,000	9.0
1912	370,000,000	35,000,000	9.5
1913	403,000,000	38,000,000	9.3
1914	357,000,000	41,000,000	11.3
1915	420,000,000	61,000,000	14.5
1916	482,000,000	70,000,000	14.9
1917	463,000,000	95,000,000	20.5

The imports have increased 40 per cent in 10 years (from 395,000,000 taels in 1908 to 549,000,000 taels in 1917), while the exports have increased 70 per cent (from 276,000,000 taels in 1908 to 463,000,000 taels in 1917). The unfavorable balance of trade has decreased from 119,000,000 taels in 1908 to 86,000,000 in 1917.

The steady increase in exports, due to ever-broadening markets for China's raw materials, has been one of the predominant factors governing the increase in purchasing power and in imports and the consequent growth of trade, for with an increase in wealth, even though largely expended abroad for necessities, a certain proportion is certain to remain in permanent investments of lasting benefit, such as machinery, tools and agricultural implements.

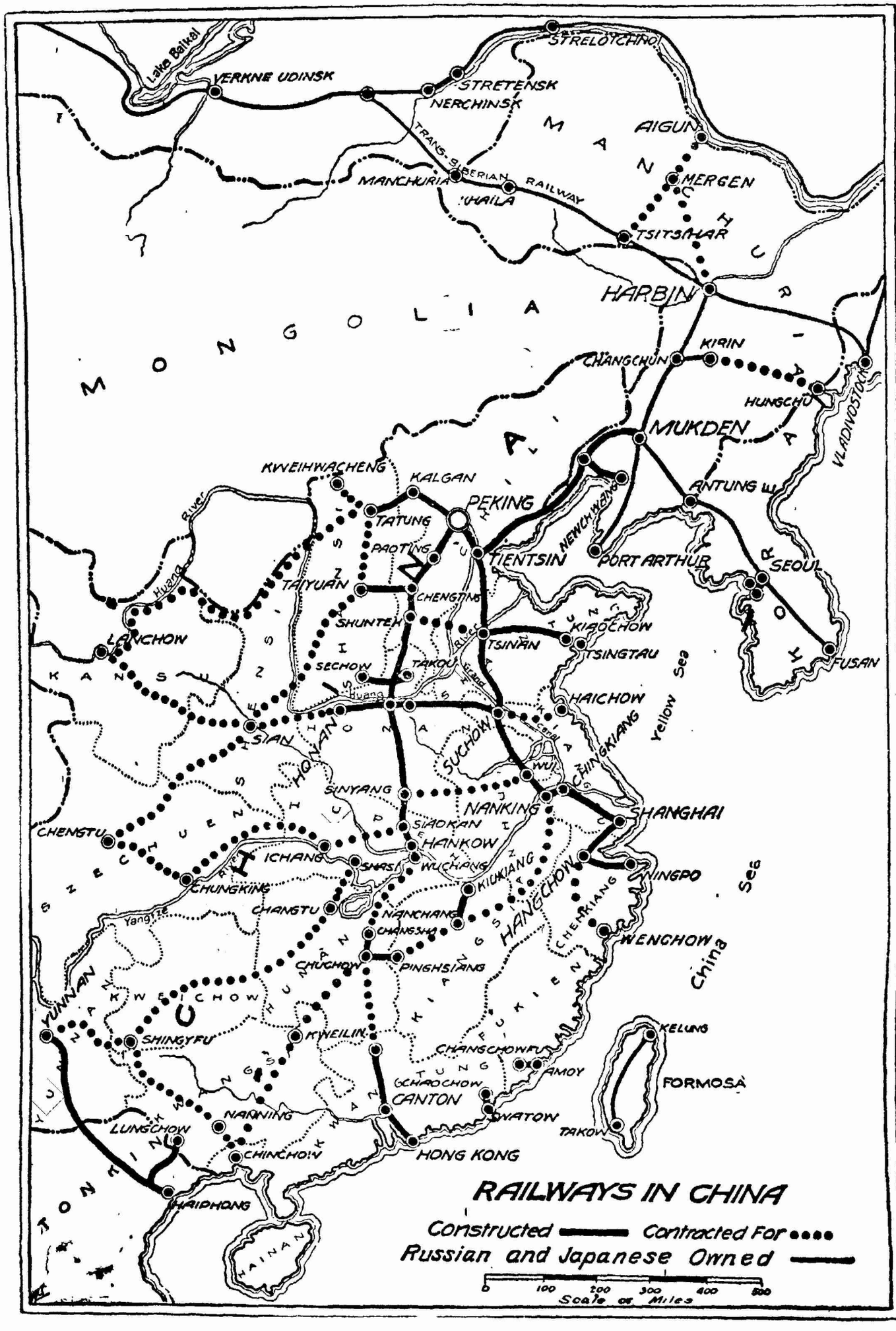
The following table gives the value in millions of taels of the goods imported into China for the past 10 years:

Articles	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917
Cotton goods	110	137	130	143	144	182	183	149	136	158
Cigarettes and material	2	5	6	7	8	12	13	12	25	31
Rice	26	15	30	18	11	18	22	25	33	29
Sugar, refined	7	11	10	11	10	14	12	13	19	28
Metals and minerals	22	16	22	21	18	29	28	18	26	25
Kerosene, American	17	13	11	23	14	14	24	18	23	24
Coal	8	8	8	8	8	9	8	8	8	15
Leather	2	4	4	4	6	7	5	5	7	9
Sugar: Brown	7	7	5	5	5	9	7	7	8	7
Sugar: White	4	6	5	5	7	10	9	6	6	6
Opium	34	35	55	48	47	41	37	24	10	6
Cotton, raw	1	2	4	1	6	2	2	6	8	6
Kerosene, Sumatra	6	6	6	7	6	6	8	5	4	6
Machinery	6	5	10	5	5	6	8	4	6	5
Matches	5	5	5	5	7	6	5	5	7	5
Paper	2	3	4	4	3	6	5	5	8	5
Electrical materials	1	1	1	1	1	2	2	2	3	4
Soap	1	1	2	2	2	3	3	2	2	4
Miscellaneous piece goods	2	2	3	3	2	3	4	3	3	4
Clothing and hats	1	1	2	3	2	3	4	3	4	4
Woolen goods	4	3	4	4	3	4	5	3	3	4
Woolen and cotton mixtures	1	2	2	2	3	3	2	2	1	2
Sundries	125	133	134	144	156	183	177	131	167	163
Total	396	418	463	472	473	570	569	454	516	549

Value in million taels

The main article of import, cotton goods, is gradually playing a less important part in the foreign trade, although in 1916 and 1917 it still represents 27 per cent of the total imports. This gradual decrease from 32 per cent in 1913, 1914, and 1915 is largely due to the introduction of cotton weaving and spinning in China, with the aid of foreign and local capital.

(*To be Continued*)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Contents

Editorial Paragraphs 229

Special Articles

Japan's Newest Intrigue for Possession of China ..... Hollington K. Tong 233

The Japanese Occupation of Tsinan ..... Upton Close 236

A Russian View of the Allies 240

Notes from Peking 242

Who's Who in China 246

News Summary of the Week 246

Men and Events 248

Women's Work ..... M. C. P. 252

Far Eastern Press Opinion 254

Finance and Commerce

The Flour Mills' Industry a Purely Chinese Enterprise ..... Y. L. Chang 256

New Books and Publications

American Banking 260

In the United States Court for China 261

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING SHOULD BE ADDRESSED TO THE REVIEW AT 113 AVENUE EDWARD VII, SHANGHAI, OR TO J. L. HUTCHISON, REPRESENTATIVE IN AMERICA AT ROOM 529, 17 BATTERY PLACE, NEW YORK, U. S. A.

SINCE the signing of the armistice public opinion is no longer centered on Europe and there is now both time and inclination to pay attention to affairs much nearer at hand. One of the most striking evidences of this new order of things has been the attention the British press of the Far East has been giving to Japanese activities in China. A few weeks ago the *North China Daily News* published an *expose* of the Japanese morphine traffic, which has been vigorously followed up by an active anti-morphine campaign by the *Peking & Tientsin Times*. This week the *North China Daily News* devoted some attention to Japanese propaganda in China, a vast and effective machine which is sheltered behind the provisions of extraterritoriality. The British official organ argues that the existence of Japanese propaganda in China makes necessary a continuance of the British propaganda inaugurated during the war. The same arguments apply to the work done by the United States Government Committee on Public Information, an agency which has been at work in China only a few months but during that time has accomplished a great deal for the cause of America and the Allies. British and American propaganda in China is constructive. It has been directed with a view to bringing Chinese thought into line with the thought of the rest of the world—to interpreting world events to the Chinese. Japanese propaganda is quite different. It is of the Prussian type, its object is the aggrandizement of Japan and it seeks to accomplish that by any means, fair or foul. During the progress of the war it was directed against Allied aims and contributed nothing toward giving the Chinese a clear understanding of the aims of the war.

PERHAPS few foreigners in China realize the extent to which Japan has developed this part of her program to dominate China. A prominent Chinese discussing the matter a few days ago said that Japanese propaganda in China was now so powerful that it was almost possible for Japan to dictate every domestic policy of China. If the field is not entered by the Anglo-Saxon nations Japan will soon be able to use this powerful weapon to rule China as she likes—to make and break Chinese officials as she pleases. The most widely used telegraph news service in China is owned and controlled by the Japanese. It supplies Chinese and Japanese news to all the Shanghai and Peking papers and to most of the papers in the outports, selling them the service at a price which will not cover office expenses to say nothing of telegraph tolls. Through this agency the Japanese are able to color Peking news to their liking and to place on political events of the Far East any complexion they desire. It has been consistently used to stir up strife between the North and the South and to keep China's civil war going. Incidentally it has been used time and again to discredit Allied Ministers in Peking.

IN addition to this news agency, the Japanese own outright some of the most successful of Chinese papers located in Peking, Tientsin, Shanghai, Foochow, Mukden, Tsinan, Changchun, Kirin and Hankow. The latest addition to this string of papers has just been established in Canton. Plans are under way for starting Japanese papers at Wuchang, Nanking and Hangchow in the near future. All of these papers are sheltered by the provisions of extraterritorial laws and are immune from the interference which Chinese officials visit on the Chinese-owned papers. Supported by a subsidy, sustained by Japanese advertising, able to say things a Chinese paper dares not say, these Japanese publications are able to take first place in their respective communities and to crowd out Chinese journalism, which is a sickly growth at best. The fact that they are able to blackmail Chinese officials with impunity adds another source of strength. These papers carry on a steady attack of villification and abuse against all Chinese officials who do not play the game for the Japanese. They constantly and persistently point out the advantages which will accrue to China through close alliance with Japan, the dangers which lie before her if she listens to the "sweet words" of foreigners who are hoping for the destruction of both China and Japan. Of recent months these Japanese papers have been paying a great deal of attention to America and have a long list of anti-American canards to their credit. Stories of preposterous demands American officials are said to have made for concessions in China have been circulated many times with no object apparently except to stir up animosity against America. Similar tactics have been resorted to against Great Britain, evidently for a similar purpose. A note of ironic humor is found in the fact that a number of American and British firms doing business in China ignorantly contribute to this propaganda which is directed at them by advertising extensively in the Japanese-owned papers.

AN interesting Chinese comment on this situation recently appeared in a Peking paper as follows:

> It is believed that in the course of a few more years, there will be a Japanese newspaper in every Chinese city and then Japan will derive advantages from her newspaper policy in China. What we Chinese are at a loss to understand is that such great Powers like Great Britain, the United States and Russia, which have also immense interests in China and they are also China's near neighbors, though they may have no ulterior designs for political concessions from the young Republic, are sitting with their folded arms witnessing the expansion of this newspaper policy without doing anything to counteract it so as to maintain the balance of power in the Far East.

Some may retort that this is a situation the Chinese themselves must meet and solve but under present conditions they cannot do it. Harassed by Chinese officials and and with small and uncertain revenues, independent Chinese newspapers cannot exist in competition with the subsidized Japanese press. If China is to be saved from Japanese propaganda it must be done by the help of friendly foreigners.

SOME superficial observers of Japanese propaganda in China have given the Japanese credit for a great deal of cleverness. But it is not clever. It is persistent and strongly organized and unscrupulous but it is almost absurdly crude. An example of its method of work is found in a translation from the Peking *Keishin Shimbun*, in which an attempt is made to counteract the campaign directed against the Japanese traffic in morphine. It is a fair example of the kind of stories circulated all the time by the Japanese press. The following was translated by a Chinese news agency:

> Previous to the issuance of the Presidential mandate ordering the burning of the stock of Indian opium in Shanghai, the Chinese government discovered that foreigners are deeply interested in the secret sale of opium in Hsinkiang, Kansu, Chinghai (Kokonor) and other places. It has been discovered that the opium sold in the above-mentioned provinces had been secretly smuggled into China from India by Amer-

can and British subjects in conjunction with the Mohammedans in the North-west of China. Further, it has been found out that since the commencement of the European war, both Americans and Britons have been engaged secretly in smuggling opium into Peking and Tientsin under the disguise of merchandise for sale to the Chinese opium-smoker, while a certain quantity of the Indian opium stored in the godowns of certain foreign companies at Shanghai which is to be be burnt this time have been secretly smuggled into Peking and Tientsin for sale, using certain European and American educational institutions and missionary houses as storage places because on account of the war, their merchandise could not be imported into China as previously. On January 9 the *Peking & Tientsin Times* printed a leader dealing with Japan's Twenty-one demands in 1915 in which it mentioned about Japan's demand for the establishment of schools, hospitals and missions in the hope of smuggling opium and morphine into China without the examination or inspection of the Chinese government authorities, etc. The paper made this false charge against the Japanese because it has been discovered that their own schools, hospitals and missions have been used for the storage of these illegal articles so that this has been done for the purpose of saving their own "face" in smuggling opium into this country. Hence the result of the campaign is very laughable because it has been directed against themselves.

IN view of the interest that has been aroused in missionary circles throughout China in the announcement that American brewers and distillers were planning to transfer their activities to China after America goes "dry," we are reprinting the following from the November 20 issue of *Eastern Engineering*, the monthly technical supplement of the *London & China Express:*

There is little doubt that in the near future the Far East will offer a larger demand for plant and equipment for distilleries, breweries and aerated water factories. Many indications show this will be so. In China, where tea has been the national beverage, native wine made from grain being used on festive occasions only, there has of late been a marked increase noticeable in the demand for cheap foreign spirits and other forms of stimulant. This is due to the prohibition of the cultivation and import of opium. Until recently all cravings for stimulants have been satisfied by the use of opium. The discontinuance of this practice will be hastened and rendered more complete if substitutes are provided and made easily obtainable. From this point of view developments in the brewing and distilling trade are not only anticipated, but are to be fostered. Additional weight is given this remark by the concern occasioned of late by what has been termed the opium revival in China. Judging from press reports, it would appear that the revival of opium culture and of the sale of opium in China is a deliberate and premeditated scheme of the central Chinese government; that the officials of the government have been taken into the government's confidence and have been encouraging the replanting of opium in connivance with Peking. One of our contemporaries mentions that opium is not only being grown in the remote valleys of Szechuan, Yunnan, Kwangsi, in the hill country of northern Shensi and Shansi and in similar out-of-the-way places, but it publishes a photograph of a field of poppies within 80 miles of the walls of Peking. The recrudescence of an evil will probably be very partial, and no doubt purely temporary, in face of the opposition against opium not only in America and Great Britain, but to a great extent in China also, where the Chinese recognise that a revival of the opium practice is dangerously calculated to bring the nation into disrepute abroad. Considering the facts mentioned in the foregoing paragraph in conjunction with conditions in the Far East generally, it becomes evident that the markets in this part of the world now merit increased attention from manufacturers catering for the engineering requirements of the brewing and distilling trades. The high position held by British manufacturers of this class of equipment should go far to assure a fair share of the trade passing into their hands. Indeed, in the best interests of the trades concerned, it may be hoped that British plant will be installed wherever practicable. As helping to justify this assertion, it will be interesting to describe a type of plant of first importance to breweries manufactured by one of the most progressive British firms, closely associated with the engineering requirements of the brewing and distilling trades.

ONE of the significant events in China last week was the ceremonies held in Tientsin on January 11 when Miss Huang, daughter of the Chinese Commissioner for Foreign Affairs, who is a graduate of Kansas University, hurled a bottle of champagne in the Wilhelmstrasse in the former German concession and rechristened the main thoroughfare "Woodrow Wilson Street!" Among those present on this unique occasion were the civil governor of Chihli, the American Consul-General, an official representative of the American legation, representatives of the Allied nationals in Tientsin, and thousands of Chinese and American troops. The Chinese government has paid a great tribute to the American President by this act. Woodrow Wilson is the most popular man in China to-day. After the function Mr. Maze, a high British official, Commissioner of Customs, invited the host of guests to his private residence where the Chihli governor held a reception. In the course of his speech, Governor Tsao Jui said: "President Wilson is a scholar, a statesman and a diplomat. For the welfare of the American people, he has given up his quiet academic life for the vigorous public life, in order to guide his country on the path of progress and prosperity; for the great cause of humanity, he has put the blood and power of the American nation into the war; thanks to the united efforts of the Allies, the world is rescued from the clutches of militarism; for the lasting peace of the world, he has proposed the League of Nations with the hope that future wars, if possible, may be averted, and for world democracy he has enun-

ciated the great principles of liberated mankind and the actual equality of nations. The deeds of President Wilson have awakened in us the keenest sense of admiration and the great principles that he has laid down have found unanimous endorsement from our people. In recognition of the great services that he has rendered to the cause of humanity and in appreciation of America's friendship for China, our people in this province deem it fitting to name one of our streets after his name, so that his name will be perpetuated for all ages." Mr. Heinztleman, the American Consul-General for Tientsin, suitably replied to Governor Tsao's speech and said that "by this act China indicates her acceptance of the American principles as laid down by President Wilson; the principle of liberated mankind; of the actual equality of nations; of the right of every nation, however weak, to judge its destiny and aspiration; and of governments deriving all their just power from the consent of the governed. President Wilson has also enunciated the principle that all covenants and treaties shall be entered into openly and frankly and without secret diplomacy."

IN addition to the mutual goodwill between the Chinese, the Americans and the Allied nations, the ceremonies, in the opinion of the *North China Star*, an American paper, were significant of other things. The ex-German concession has returned officially, completely and irrevocably to Chinese control. The paper continues: "Those who for ulterior motives would hold otherwise are faced with a *fait accompli*. By re-naming officially the main public thoroughfare of a concession once held by Germany by treaty rights which war has abrogated, the Chinese government has once again assumed unqualified sovereignty over the territory formerly under the control of the German Empire. The United States government, in accepting through its official representatives the honor conferred on its Chief Executive, has formally recognized China's complete rights in the premises."

REPORTS from Peking and Tokio indicate that the Japanese government has not changed its policy towards China. The highest Japanese officials are still encouraging reckless borrowing by the Chinese government. It is through their encouragement that the Peking-Suiyuan loan of Yen 4,000,000, signed on December 7, the Peking Telephone Loan of Yen 5,000,000, signed on October 25, and two other loans, details of which are not yet available, have been concluded. The first two loans were made by the Oriental Development Company nominally for the purpose of industrial development, but in reality for military purposes, which fact was well known to the Japanese officials. Reports from the capitals of China and Japan further indicate that some financial arrangement other than these loans has been made between the Hara administration and the Peking government to resume the civil strife in China. In case the opposition leaders in the South-western provinces are unable to come to terms with the Northern leaders at the impending internal peace conference, a financial arrangement will come into operation whereby the Northern militarists will be supplied with enough silver bullets to fight the South-western provinces. The training of two divisions of troops by General Tuan Chi-jui, Director-General of the National Defence Force, which was recently created to replace the War Participation Bureau, is an unmistakable sign of the preparation by the North for the continuation of civil war if the peace conference fails to reach a settlement regarding political differences. General Tuan's chief lieutenant, General Hsu Shu-cheng, or "Little Hsu," is understood to have completed financial arrangements during his recent visit to Japan under the pretext of witnessing the Autumn maneuvers. It is well for the South-western provinces to know of all this. The opposition, in the interest of the national welfare and the peace of the country, will render a great service to their nation if it will adopt a conciliatory attitude in dealing with the North at the peace conference so that whatever preparations which have been made for the resumption of hostilities may have been made in vain.

IT is impossible to conceal the fact that Japan is only too anxious to see perpetual disturbances in China. She specially wishes that the civil war in this country would continue until the end of the Versailles peace conference so that she can tell the European and American delegates that it is useless for them to help China in view of China being unwilling to help herself and that Japan possesses the solution of China's problem if the Powers will give her the necessary authority to carry it out, and that if they should refrain from complying with Japan's request, their interests will suffer the most. The acquiescence of the Powers in Japan's proposal as aforementioned will pave the way for another war in Asia, which will be a race war, the terribleness of which will astonish the world even more than the European war just ended. Within the next ten years, this race war will be in the making. Japan will exploit China's natural resources to the utmost of her ability. She will likewise exploit China's teeming populations. She will turn as many Chinese as possible into good soldiers. The Chinese will make good fighters if they are commanded by proper leaders. China will, in the end, be turned into a huge military camp. Her enormous mineral resources will be employed for

the manufacture of instruments to kill men. At the end of ten years, Japan will attempt to dominate the whole world, and then the race war will commerce. It will be for the Versailles peace conference to decide whether its delegates would welcome such a race war, or whether they would exert a little of their energy to prevent it right now. Japan's attitude on this question is known in China. She wants the terrible war, otherwise she would not have further encouraged the Chinese people to continue fighting each other. It is now for the delegates of the European countries and America to say the last word.

Japan's Newest Intrigue for Possession of China's Iron Mines

BY HOLLINGTON K. TONG

I AM reliably informed that the cabinet is considering the advisability of giving a mining license to the Muling Company, which has arranged to develop the famous Fenghuangshan iron mines near Nanking jointly with Japanese financiers. The Japanese government has been trying to get hold of these mines located in the center of China for several years. Thus far, its efforts have been successfully frustrated either by Chinese opposition or by opposition from the Anglo-Saxon governments. Its latest attempt to secure the coveted mines has been made under the guise of Chinese-Japanese cooperation. It may prove eventually successful if timely action against it is not taken by the Chinese people or by the foreign governments, whose interests will be greatly affected by the consummation of the deal.

A petition requesting the Ministry of Agriculture and Commerce to give the Muling Company legal status was submitted by a Japanese-educated Chinese, Wu Yung-tsui, shortly before the end of 1918. If the cabinet refuses to consider the petition, the preliminary agreement signed by Mr. Wu and the manager of the Okura Company, a Japanese firm, a month ago, for joint cooperation, will become ineffective. Several powerful Chinese officials, who had been supporting the agreement previously, have now realized that it would be dangerous to have Japanese cooperation in the development of the prime iron mines in the Yangtze Valley, and realizing this are now willing to back out. They are hoping that the cabinet will not grant to the Muling Company a license so that the agreement can be automatically cancelled.

The preliminary contract contains several important terms which appear harmless and legitimate but which must lead to the acquisition of the complete control of the Fenghuangshan iron mines by the Japanese. These terms are as follows:

1. The contract is to last for twenty years.
2. The total capitalization shall be $25,000,000.
3. It shall be apportioned as follows: $5,000,000 shall be subscribed by the Chinese for the erection of an iron foundry, and $20,000,000 by the Japanese for the establishment of a steel-making plant.
4. All the output of the mines shall be sold to the Japanese at a fixed price until a steel-making plant is installed, when the question of the disposal of iron ores will be reconsidered.
5. Pending the installation of the steel-making plant only a portion of the capital shall be called in.
6. The working of the mines shall be under the supervision of Japanese.
7. The Japanese shall attend to the matter of transporting iron ores from the mines to Japan.
8. One Japanese adviser and one Japanese chief engineer shall be employed by the Muling Company.
9. The Japanese shall have a prior claim to the output of the mines.
10. In return for the privilege of this joint cooperation, the agreement for a loan of Yen 1,000,000 made to Yuan Shih-kai in 1915 with the Fenghuangshan mines as security shall be cancelled immediately after the granting of the license to the Muling Company by the Chinese government.

A cursory glance at these more important terms will convince anyone that Japan intends to make the Fenghuangshan mines another Hanyehping Iron Works, which she has already converted into a Japanese property to all intents and purposes, and which she used as an excuse to send warships thither for according protection to her mining experts. It is unlikely that the Japanese financiers will ever build a steel-making plant as the existence of it will stop the export of iron ores to Japan, which is in great need of them especially after the war. If President Wilson's doctrine of the League of Nations is not adopted at the Versailles peace conference, Japan will need all the iron ores which the Chinese mines either under operation or to be opened can supply in order to enter into a bitter contest for naval supremacy.

Even if Japan consents to the installation of blast furnaces near Nanking for turning iron ores into pig iron or steel, she will so arrange them as finally to revert the control of the mines entirely to herself. She will most probably employ the same tactics in dealing with the Chinese shareholders of the Muling Company as she did with those of the Yalu Timber Company in Manchuria. The Yalu Timber Company at first was a Chinese-Japanese enterprise, but

to-day it is a purely Japanese concern. When it was first established, a fifteen per cent dividend was declared for the first year, ten per cent for the second year, five per cent for the third year, no dividend for the fourth year, and the company lost money on the fifth year. At last the Chinese interests were squeezed out, and the timber company practically became a Japanese business. The same fate will befall the Muling Company.

Former President Feng Kuo-chang is interested in the matter and it is hoped that he will use his best influence to stop the transaction, which is not only disgraceful, but harmful to China's national existence. What will happen to China if Japan sends to the neighborhood of the mines another detachment of her troops and several warships under the pretext of protecting her interests and her people? Japan is accustomed to do this. She has done so in regard to the Hanyehping Iron Works. The more troops she is allowed to station in China's central provinces and the more warships she sends thither, the sooner she will be able to convert China into "a Japanese fishing pond." General Feng Kuo-chang will not be true to his professed patriotism if he does not stop a transaction, the consummation of which will result in the driving of another military wedge by Japan into the heart of China.

Previous to the employment of Chinese-Japanese cooperation as a means to acquire the control of the iron mines at Fenghuangshan, the Japanese resorted to the ordinary method of lending money to China. Thus, when the late President Yuan Shih-kai was hard up financially, they offered to him through a railway director a loan of Yen 1,000,000 to be secured on these mines. The offer was accepted. As the loan was really made through a Chinese syndicate, it was not officially recognized by the Ministry of Agriculture and Commerce. In 1917 the Japanese brought pressure to bear upon the Chinese officials in their attempt to secure official recognition of the agreement. It was at a time when the world felt an acute shortage of iron. Japan hoped that by carrying out the arrangements she would be able to secure enough iron from China. Marquis Okuma, then Premier, repeatedly urged Tuan Chi-jui to yield and approve of the agreement, but his appeal was frustrated through the silent intervention of Chang Kuo-kan, then Minister of Agriculture and Commerce. Towards the end of 1917 some American capitalists, seeing disadvantage to China as well as to the other nations if the Fenghuangshan mines fell into Japanese hands, opened negotiations for the nationalization of all iron mines by the Chinese government and the formation of a joint company for their development. But at that particular moment General Tuan Chi-jui wanted all available cash to fight the Southern opposition and did not favorably consider any purely commercial proposal which was not accompanied by a loan for military purposes. In the meantime, a British syndicate tried to make the development of the Fenghuangshan mines an international business and proposed to invite Japan to participate in it. Through Japanese intrigue and on account of the British and American governments being busily engaged in the Great War, the scheme for the international development of these important mines was abandoned.

Last summer the Japanese made a second attempt to secure the Fenghuangshan as well as other iron mines in China, having evidently learned from the British syndicate aforementioned the possibility of making the Chinese government agree to their nationalization. They proposed the hypothecation to their country of various iron deposits in China in return for a loan of Yen 100,000,000, and these deposits included those at Lungkwan, Shienhwa, Tayeh, Yochen, Fenghuangshan, and in Shantung and Anhui provinces. They further proposed the establishment of a big iron works at Mulingkuan, where the Fenghuangshan mines are located.

The Japanese official remarks made shortly before the retirement of Count Terauchi in September in connection with the "iron industry loan" were as follows:

"For the purpose of promoting economic harmony between Japan and China, the Chinese government has been planning to establish a National Iron Works and obtain the necessary capital for starting the work with skilled engineers and experts for the management and supervision from Japan. Negotiations between the Chinese government and the Japanese syndicate here have been going on for some time and an agreement has recently been reached, and the conclusion for a loan of about Yen 100,000,000 is expected to be announced soon. The establishment of this National Iron Works will result not only in the Chinese government having the fundamental equipment for manufacturing and supplying all the iron needed for China itself but also Japan will derive much benefit by obtaining the manufactured iron or iron ores from China."

The *Osaka Mainichi*, commenting on the subject, emphasised the point that this was not an economic loan, and therefore attached to it much significance. It further stated that "after the conclusion of the loan the object of Japan's iron manufacture will necessarily be subject to certain changes. Because the loan was not a purely economic loan Count Terauchi submitted it to the Diplomatic Council for recognition. Now Premier Hara also realizes its importance. When the political situation gets more settled in China, the negotiations (which were interrupted by the resignation of Court Terauchi and

by too much international attention paid to them) will be resumed."

Very strong petitions from the Provincial Assembly of Kiangsu and the leading local gentry at Nanking in particular were addressed to Peking protesting against the mortgage of the iron mines at Fenghuangshan to the Japanese. The Chinese newspapers throughout the country were greatly agitated over the whole matter. In the British House of Commons, in replying to a series of questions on this subject asked by Sir Charles Hobhouse, the Foreign Under-Secretary said "the government was aware that negotiations were proceeding for the acquisition by a Japanese syndicate of the Fenghuangshan iron mines, but no official information that the negotiations had been concluded had been received. The mines are situated on the Yangtze river, an area which His Majesty's Government regarded as their special sphere of interest in China, in the sense that British subjects possess prior claim to favorable consideration by Chinese authorities of the applications they make for industrial concessions in that region. But they thought that neither British nor any other foreign claim to spheres of interest in China should be pressed inconsistently with the principle of the open door. Neither the British Ambassador nor the Foreign Office had been consulted in the matter."

As a result of the strong opposition from every quarter, the Japanese were obliged to give up the plan of obtaining the Fenghuangshan mines by means of a bigger loan, which was, at the moment, attractive to the Chinese authorities who could not find the wherewithal to continue the civil war. Fearing that another attempt would be made by these persistent Japanese, the Kiangsu gentry formed a Chinese company called the Muling Company for the development of the mines. Their military governor telegraphed to Peking requesting the issue to it of a mining license so that it could start operations. But the government has so far refused to grant the license, pending the return to Japan of the Yen 1,000,000 loan. The Japanese saw an opportunity to work "a double Nelson" on the Muling Company, which was in a position of embarrassment, and approached it with the offer for the joint undertaking of the enterprise. They expressed their willingness to cancel the agreement for the loan of Yen 1,000,000 if the Chinese would agree to the new proposal. The seemingly alluring offer appealed to the innocent Chinese strongly and it was finally accepted. The signing of the preliminary agreement, important terms of which were given in the foregoing, was the result. If the third attempt to secure the controlling interests of the Fenghuangshan mines fails, there will likely be only a short interval before another act is screened. The whole business is an intensely interesting tragedy, with China playing the role of a victim nevertheless.

The expansion policy of Japan is mirrored in her feverish desire to control all the iron ore deposits of China, and to emulate Great Britain's methods of building up a strong empire. A great part of Britain's success in trade, in colonial control, in shipping, and in manufactures are attributed to her possession of coal and iron. As Japan did not have much of these two metals, she set out to get them by hook and crook. China falls a victim. But Japan's expansion policy will most probably result in another world-wide war if it is not curbed at its inception.

Farsighted Chinese strongly advocate: "Leave the Fenghuangshan iron mines alone. Leave other Chinese iron mines alone for the time being. If we want to develop them; develop them with international assistance rather than with Japanese assistance. We have had enough experience of Japanese assistance in such matters, and we do not want to so help Japan as to enable her to carry out her imperialistic policy detrimental to both China and the world."

Peking, January 11, 1919.

Attitude of Americans and Britons in China Toward the Japanese!

This remarkable article published originally in the Review on December 21, dealing with the present attitude of Americans, Britons and Chinese as well toward the present activities of Japan in China, is now being reprinted in booklet form.

It will be issued within the next two weeks in a limited edition of 500 copies in both the Chinese and English languages.

Persons who desire copies for distribution either in China or abroad may obtain same by applying to the REVIEW, enclosing 10 cents (Mex) in stamps for each copy to cover printing and mailing expense.

Owing to the expected demand for these copies, persons are urged to write at once to the undersigned.

Editorial Department

MILLARD'S REVIEW

113 Avenue Edward VII Shanghai.

The Japanese Occupation of Tsinan

A Census of Japanese Enterprise in the Capital of Shantung

BY UPTON CLOSE

THERE is every evidence that the long rapier piercing at the heart of China is being sharpened at its point in preparation for a further plunge. The shaft of this weapon is forged of rail-road steel, 264 miles long, sheathed in a two-thirds mile wide strip of alienated territory garrisoned and governed by foreign military and providing an asylum for the outlaws of three nations. Its fender is the Kiaochow leased territory, the hilt Tsingtao, and it is in the firm grasp of a hand skillful in execution. The point of the sword at present rests in the capital of Shantung, Tsinan, and it is tipped with poison in the form of a body-soul-and-nation-destroying, habit-forming narcotic.

Japanese political influence in Tsinan and Shantung has its hub in the Provincial Waichiaopu, and its Foreign Commissioner, Tang Ko-san. This man, schooled in Japan, married to a Japanese wife, and indebted for his entire political career to Japanese influence and aid, has been reduced to a condition of absolute subservience and helpless vassalage to his patrons. His administration is inefficient, pusillanimous, and accused of nepotism by his fellow officials, especially on the score of his giving too many positions to his relatives—the cardinal sin of Chinese officialdom. It is evident that he could not retain his position a day without his powerful Japanese backing. Along with the Foreign Commissionership, he holds the office of Tao-yin of Tsinan Tao, which office, however, is but a name, as all its administrative functions are taken over by the governor. Tang's brother is Chiao Ko-yuan, and the treatment by these two of American and European consular representatives and nationals are as bluff and rude as they dare make it, while on the other hand, their toadying, almost to the point of a loss of personal respect, to Japanese officials and semi-officials, is the subject of contemptuous amusement among Chinese and foreigners of all classes. They have shown in various ways their willingness to hinder the work of Christian missions in their jurisdiction.

The second bulwark of Nipponism and "peaceful penetration" in Tsinan is Ma Liang, chief of the military, commonly known as the "Uncrowned King" and "The Power Behind" in Shantung. He is a devout Mohammedan of the strictest sect, and the leading member of that wealthy and influential section of the Tsinan populace. While Commissioner Tang, like the majority of Chinese officials, ignores public sentiment, General Ma shows all the astuteness of a Western demagogue in playing before the lime-light. He courts the reputation of philanthropist, and is a liberal giver to charities. He loves to be called the "student-soldier," and is a talented pen-man, having evolved a system of art-character-writing all his own. The four large characters from his own brush over the front entrance to his military establishment, "Love the Country and Protect the People," are famous, and shops vie for the honor of his writing their signs. His appearance is pleasing and decisive, and his speech ready and pointed. It is commonly said that no officials in Shantung, including the governor, dare to cross him, or move without his backing. His connection with the Japanese seems to have originated in the friendship between his wife and the Japanese wife of Comissioner Tang. "High society" in Tsinan, in which many Japanese are numbered, centers about him. Japanese may be seen constantly about his premises.

With these two men in their control, Japanese have a strangle hold on the political life of the Shantung capital. It is now publicly announced that Commissioner Tang is an aspirant for the governorship of the province, and Japanese interests, including their local daily vernacular paper, are supporting him with might and main. Twice Chinese merchants have endeavored to combine for a boycott of Japanese goods; once, upon the occasion of the establishment of the Japanese Civil Government Department their meeting was broken up and the Chamber of

Commerce sealed by order of General Ma; once, in September 1916, their plans were brought abruptly to an end by the despatch of a letter by courier direct to the president of the Chamber of Commerce while sitting in discussion of the question from the Japanese Consulate giving that body, as I am informed, fifteen minutes to change the subject, under threat of forcible dispersion.

Let us turn to the actual Japanese occupation of and enterprise in the city, which, however, as we shall see further, can hardly be called commercial. I was going to use the word "penetration" rather than "occupation," but it is too much an accomplished fact for that expression. The first three years of the war, the Japanese population segregated itself near the railway station under their administration, and in residences and buildings taken away from the Germans. The past year, however, their policy has been to decentralize over the entire settlement, and even into the principal sections of the old walled city. It is evident that when they get ready to map out their "settlement" here, as in Tsingtao, they will rebuild the "whole thing." Besides the large number of Chinese firms financed by Japanese money, there are, situated on every length-wise and cross street of the settlement and in three principal sections of the city under the direct operation of Japanese, 194 enterprises classified as follows: (This list is not guaranteed against ommissions or mistakes, but was compiled with great care for accuracy and thoroughness.)

SUMMARY

Drug Shops	63
Houses of Prostitution	22
Notions (Miscellaneous small goods).	38
Hotels and Inns	13
Banks—Actual Banking Business	3
"Banks"	3
Hospitals	3
"Yang Hang," etc.	3
Railroad offices, aside from station	2
Barracks and Gendarme Station	3
Schools	3
Residences	26
Flour Mill	
Dessicated Egg Factory	
Cinema Theater	
Postal and Telegraph Office	
Railway Station	
Wireless Station	
Railway Coal Syndicate	
Consulate	
Total, Japanese Enterprises	194
Without Residences	168
Percentage of total without residences: Drug Shops and Houses of Prostitution	50%
Percentage Small, Miscellaneous Shops and Enterprises	32%
Percentage Military, Government and Railway	7%
Percentage, Actual Commercial Enterprises	8%
Remaining Percentage	3%

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It should be noticed what a small percentage of the whole can be classed as actual commercial enterprises of any standing. Those few which can rightfully be classed as such are listed below:

Commercial Enterprises of Some Size

(Line of Business)	(English or Romanized Chinese Name)	(Location)
1. Bank	Yokohama Specie	Er Ma Lu
2. Bank (Just opened)	Bank of Chosen	Er Ma Lu
3. Beers, Waters, Drygoods Notions, General Import	San Ching Co.	Wei Sze Lu

4. General Import and Export, Hide exporters	Tung Ya (Eastern Asia Co.)	Er Ma Lu
5. Formerly Electrical appliances, at present no evident legitimate business	Red Ta Co.	San Ma Lu
6. Leather goods, dealers, etc.	Yu San Commercial Co.	
7. Flour Mill (In process of construction)		Da Ma Lu (south)
8. Dessicated Egg Factory		Wei Lu Lu

An interesting feature in connection with Japanese activities in Tsinan are their dealings and connection with German interests and residents in this place. Regarding this phase of the subject I quote from the correspondence of the *North China Star* of December 22, 1918:

The question of German subjects in China creates somewhat sportive discussion among Chinese and neutrals, who consider it amusing that while the Chinese government is spending a great deal of money to remove them from activity in Peking and Tientsin, under pressure from the Allies, subjects of one of the Allies, Japan, are providing them with capital to renew business in Tsinan by purchasing their property in this place.

Also from the issue of December 24, 1918:

Another foreign home has passed into Japanese hands the past week. As one leading American resident puts it: "The Japanese are buying the roofs from off our heads." Several other Chinese-owned semi-foreign houses in which foreigners were living, including the house occupied by Mr. Archer, head of the British Immigration Bureau, have been sold to Japanese and the occupants turned out without warning to find whatever shelter they can. The most irritating thing about it is that the houses often stand idle for many months, their new owners refusing to rent them even temporarily. The German community of Tsinan, which has held out until the present, doubtless with the aid of money forwarded from the Dutch legation in Peking, seems now of one accord to be selling its property, situated in the most coveted portions of the settlement, to Japanese investors, and moving into less expensive Chinese quarters. The Germans are reaping a large profit from the rise in value of their property, it being worth triple and quadruple the value at the beginning of the war. They are in this way providing themselves with capital to re-open business, and there seems to be a great deal of optimism and activity among them and the Chinese afflilated with them the past few days. The Japanese are losing no opportunity to take advantage of the clear field offered them by the desire of the Germans to sell, for while the hands of their allies are tied by the "Trading with the Enemy Acts" of their respective governments, they have at no time been subject to this restriction. The manager of one of the two large German general stores in Tsinan, one of which has just gone into Chinese quarters and sold its building to Japanese (to the *Tsinan Jih Bao*—the Japanese organ published in Chinese) in reply to a customer's remark of surprise that he could carry such a large stock of American goods during war time, stated that he had no difficulty obtaining through Japanese importers the same goods which any Allied merchant could carry.

Some Japanese enterprises in Tsinan which deserve special mention are:

(1) Japanese school. A large primary and high school under the Japanese Department of Education, housed in a modern two-storey brick school-building opposite the new Shantung Railway Hospital. This school has from 150 to 200 pupils, four to sixteen years of age, of both sexes, with boarding accommodations which draw many Japanese children from stations along the Shantung Railway between Kao-mi and Tsinan.

(2) Hospitals. The new Shantung Railway Hospital has already been quite fully described in the REVIEW. At present it has no patients, railway employees still being accommodated in the Tsingtao Hospital. There are two other small medical institutions worthy the name in the settlement, one with forty beds, two men and one women doctor, receiving Japanese patients only, and the other smaller.

(3) The Japanese language school. One of the largest buildings of the settlement, formerly a police station, has been bought and fitted up in imposing fashion as a school for teaching Japanese to Chinese students. It is not yet clear whether it is to rank as one of the chain of Japanese gendarme schools for training Chinese young men for Japanese military and civil service, such as are operating at Tsingtao and Litswen, or not. Several evening schools are being conducted by Japanese teachers for teaching Chinese their language at ridiculously low fees.

(4) The powerful new wireless and barracks, which have been noted previously in these pages.

(5) The gendarme sub-station, which was established for enforcing quarantine at the time of the plague in February 1918, but which to the present time is still maintained.

(6) The *Tsinan Daily*, now housed in the former German mercantile establishment of Karl Wolf, a most active individual of the chain of Sino-Japanese vernacular dailies established in principal cities of the Republic. It curses and blackmails any and all Chinese officials at pleasure, boosts those who are instruments of Japan, and is absolutely untouchable to the Chinese officials who itch to get their hands on it, for although it operates as a Chinese organ it takes refuge behind its Japanese ownership. It is said to collect a considerable revenue from officials who are willing to pay to save their reputations.

(7) The dessicated egg factory.
(8) The new flour mill. Both of these are described in the *North China Star* of December 24, 1918, quoted below:

An immense four-storey structure of red brick burned in Japanese kilns is rapidly nearing completion in the west end of the settlement. A Japanese company is erecting this building and the remaining smaller buildings of the plant for a flour mill, which probably explains the activity of Japanese buyers who have been bringing in wheat from the country districts to Tsinan for some time. The Japanese dessicated egg factory, which is rapidly becoming the largest Japanese industry in this "sphere of influence," has recently purchased, or rather leased through the Settlement Company, additional land, increasing their plant site to nearly 40 mow. Three large buildings are at present in course of construction, and many more are planned for erection, including residences for the managers, the coming spring. This plant has been operating only about four months, and already is breaking 200,000 eggs daily, drawing its supply from as far south as Nan Hsuchow, and as far north as the Chihli line.

But the overwhelming percentage of Japanese enterprises in Tsinan are the small drug shops, miscellaneous and notion shops, and "touching-up stations"—as their Japanese designation might be translated—the houses of prostitution. Not discussing the latter, which need no explanation to those familiar with Nipponese custom, it is evident that, with the hundreds of Chinese shops selling Japanese patent-medicines, notions and small goods, there is no market in a city the size of Tsinan to support 107 Japanese shops, in many cases with apparently several families dependent on them, also handling these lines of small goods. It is openly charged by Chinese that Japanese "business" here is not commercial. A percentage is engaged in morphia and other lucrative traffic, as I shall show below. But there remains nevertheless a large percentage which it is certain are not dealing in these illegitimate lines, which, however, are just as certainly not dependent on their turn-over of merchandise for support. One may enter these shops and ask for a common article in their line, and find that the shopkeeper does not know whether he has it in stock or not, and does not care whether he makes a sale or not. He does not appear in the least offended or disheartened when the prospective customer turns away without purchasing. In some of the drug shops the bottles are covered with dust, and apparently are never disturbed. Some proprietors of these shops are evidently of the lower class and very poor; others appear very comfortably situated, and many have a decided military bearing. The inference is that these people are an artificial population supported or subsidized by their government to give it prestige, hold, and a right to participate in affairs. Or, it may be that they are a small army of emergency which their government finds most convenient to quarter in this way. The recent purchasers of the large number of German residences likely come in this same class, as there are no commercial establishments here sufficient to support men of the station in society who would seek such residences.

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We have now to consider the morphia trade which, although not confined exclusively to Japanese, is inseparable from their penetration and occupation. It may well be questioned what reasons for official Japan allowing its nationals to institute this traffic are sufficiently weighty to justify their running the gauntlet of the public opinion of the world. The writer would suggest the following three reasons:

1. The huge profit which, in the absence of real commercial enterprise, finances "peaceful penetration." It is a matter of public knowledge in Tsingtao that the profit from the drug traffic has supplied the funds for the campaign of wholesale buying of everything purchasable, the immense building program, and the support of the artificial population.

2. The poisoning and weakening of the Chinese nation from its official classes down, making it an easy prey to the aggressor.

3. The unbreakable hold gained on the official class through the narcotic, who become bound by a slavery stronger than steel fetters to their Japanese drug-providers, and can be swayed or induced to give up secrets. These fetters are fastened by two locks, first, the habit-slavery of the narcotic itself; second, the fear of the poor user of scandal and loss of his position and all that he has should he break with those providing

him or displease their friends or officials. Many concrete examples could be given.

The writer has reliable evidence that two of the large commercial firms in the list under "Commercial Enterprises of Some Size" above, have in the past imported through Tsingtao and delivered shipments of arms, consisting principally of small arms, to individuals connected with the Chinese military. It appears that small shops cannot deal in this trade, as they would be more accessible to surveillance by the Chinese authorities, and could not command the confidence of the individual for whom they were purchasing to the extent of inducing him to put down the cash at time of order which is always demanded. The goods are ordered from and paid for at these companies, and later delivered direct from Tsingtao in some secret way to the purchaser.

The Chinese Police Headquarters when referred to on this subject stated that it finds itself unable to take a census of the Japanese population, and is forced to content itself with what statistics are sent to it by the Japanese Consulate here, which in November 1917 reported 200 males and 150 females, totalling 450, and has made no report since. The most conservative estimate would place this figure as a tithe of the present Japanese population. There is, in addition, a continual floating population passing in and out of the Republic through Tsinan and Tsingtao, which reaches at times at least as high as two thousand.

The military garrison here is very small at present, but quarters exist for a force many times the present size. The garrison in Tsingtao and along the railway is likewise at present very small, a great many places in the gendarmerie having been taken by Chinese graduates of the gendarme schools in Tsingtao and Litswen, who, in their Japanese uniforms, and under allegiance to the Emperor, appear thoroughly Nipponized.

The above is a brief, but comprehensive, summary of the enterprises which the activities of the Japanese officials and nationals have been directed to building up during their unparalleled opportunity of the past four years. They have had absolutely a free hand. What they have done must be taken to represent what they aimed to accomplish. The proportion of "good" and "bad" and actual commercial business is very enlightening in view of the claim, so loudly made, that "China is absolutely dependent upon Japan for economic and commercial development." It may be questioned whether such Japanese development as Tsinan boasts, or rather hides her face in shame to confess, is an aid to the economic development of China or promotes the "Peace of the Orient." The motives of Japan, rather than being development, are open to the serious charge of exploitation, and in its very lowest forms; the forms which the Spaniards used among the Aztecs and Peruvians. If Tsinan can be taken as a type of other districts of Japanese penetration and influence, then this is what Japan, with high-sounding phrases, is doing for the development of China—providing her with houses of prostitution, patent nostrums and opiate!

A Russian View of the Allies

Of the many contradictory stories which have purported to describe the attitude of Siberian Russia toward the Allies none we have read are so interesting as the following from the Harbin "Novosti Jizni," the leading Russian paper of Siberia. How many Siberians agree with the opinions expressed in this article it would be impossible to say, but it is interesting as reflecting opinions which must be held by a number of them. The translation is adapted from one appearing in the "Russian Daily News":

THE *Novosti Jizni* asks whether the severest disappointment of the peace conference will not be reserved for Russia, and whether Russian statehood and Russian freedom will come out alive from the hands of the Allies. The writer expresses scepticism regarding the restoration of general peace and destruction of German militarism and continues:

"The phrases 'with democratic ideals,' and high sounding words such as 'freedom of the seas,' 'destruction of militarism' and other 40 centimeter blank cartridges, with which the enemy coalition was bombarded, may be returned to the artillery sheds together with the shells for making smoke screens with which the Allies surrounded themselves, and did not declare their conditions of peace with Germany till the last moment. Let us discard big words and proceed to the organization of industry for peace time. Let us bring to light practical truth.

"The strength of the English consists in not recognising illusions. In the speeches of their statesmen there are sometimes whole geysers of flaming fantasy, prose is covered with illusion and its ashes are felt at the first touch. In politics they see things in the most sober light, making calculations with pencil and watch in hand, and the speech of the hour in the fiery expressions of their neighbor's dreams does not alter by an iota their cold calculations. They leave their friends and neighbors to their dreams and illusions, and reserve for themselves the realistic enterprises where no imagination is necessary. The flights of fantasy are kept for the French, and for the American theorists.

"The English did not hamper the 'freedom of the seas' while the war was on, nor the dream of the League of Nations, the suppression of militarism and the restriction of armaments. But as soon as the war is finished they made a sober calculation and President Wilson declared peace would be concluded with the German nation, whose destruction the Allies did not desire. A war after the war would be inadmissable. But something else is happening. The Germans conducted the war disgustingly. If we look into his-

tory we see that all nations have done similar things."

Here the writer gives instances of what he calls similar things, chiefly from English history, but also from French and Russian, and proceeds to praise the German people for bravery and constructive work, and remarks that they should be given a possibility to live.

"President Wilson considered this when he spoke of a just peace. But his theoretical fantasy collided with the sober prose of the English and with the hatred of the French toward the Germans on account of the recent barbarities of the German troops, the destruction of French cities, and the idea of revenge for Alsace-Lorraine. And this absence of justice toward the enemy, now reduced to helplessness, dims the historical perspectives, and will serve, it may be deemed, as the reef of hatred upon which the dreams of Wilson of a just peace, equality of all nations, and a League of Nations will go to pieces. The dreamer, the theorist, the reasoner, the author of the book 'Statehood—Wilson' is met with opposition even in his own country. The intoxication of victory has overcome the Americans. For instance, Mr. Daniels, an influential politician, in a speech at Baltimore on December 12 said:

"'The time of America's isolation from the whole world is ended, and it is better. From now on America must reckon with the situation in all parts of the world.' Roosevelt holds the same opinion. In a recent speech Admiral Badger insisted on an appropriation sufficient to make the American fleet by 1925 equal in size to any other.

"While Wilson met with an unprecedented reception in France, the English and French papers began at the same time very cautiously to point out that Wilson would not be able to take the position of leader and chief mediary at the peace conference, and that he must be prepared for a number of concessions. This was put into execution very cleverly. Wilson stayed on French territory as head of the American republic forty-eight hours, and then was 'relieved of the burden of etiquette and considered as a citizen.' It is hardly necessary to point out the significance of the fact that Wilson will not be at the peace conference. Wilson has not made his 'fourteen points' or his understanding of the 'freedom of the seas' sufficiently full. It would appear that there is not an English, a German, an American freedom, but only one. But the press informs us that there exists a most divergent interpretation. Wilson pointed out that it was hardly worth while for the United States to talk about negotiations if it has not a definite project for a League of Nations included in the clauses of the peace, and a definite right of freedom of the seas supported by treaties. On the latter point, however, England has reserved her freedom of opinion. Wilson demands that freedom of the seas be limited only by a measure taken in accord with all the other parties of the treaty. As the past war was a war of nations, the treaties must be made between nations. The United States intends to point out that it will maintain a fleet sufficient to compete with any other nation, and therefore freedom of the seas must be left to general interpretations. Wilson's fourteen points provided for reduction of armaments to such a degree that it would not threaten the internal safety of the country, and internal safety without external is unthinkable, consequently. . . .

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"On the question of contributions Wilson also has his own opinion. He holds that this question must be decided 'in accordance with the high aims of the war.' The English believe that Germany can take part in the League of Nations only after a long probation, while the President thinks the questions of the League of Nations, freedom of the seas and peace should be decided simultaneously. He thinks the war was carried on not for conquest, and is opposed to Italy's claims. The question is evidently acute as there have already appeared in the Japanese press hyperbolical statements that Wilson threatened to refuse participation in the conference and the signing of peace if the demands of the Allies would be so great.

"But the realistic English do not intend to allow this to confuse them. Winston Churchill declared England would not tolerate limitation of her domination of the seas. Informed of this, Wilson refused to express any opinion. If England does not agree to limiting her armament, the other Powers will be forced to continue their armies and navies. A telegram from New York says:

"'The British fleet, it is true, saved Europe from German dominion, but it is a mooted question whether the superior forces of England did not force Germany to maintain such military forces as led Europe to the present danger. If the British naval forces are not limited, there can be no talk of a satisfactory peace. It is expected that Wilson will oppose determined objections to Mr. Churchill's views!'

"London is waiting with anxious interest how President Wilson will satisfy the Allies without renouncing his own words. The papers fear public opinion will not be enlightened, that is, without the

former secret diplomacy remaining in force. Thus the *Manchester Guardian* came out energetically for absolute publicity of the sittings of the conference. From this arises the necessity of abolishing censorship. From this it is clear that censorship has not yet been abolished in England, and such important questions as peace cannot be discussed freely. Thus acute is the situation at the peace conference where the interests of Russia are to be decided, which will be no one's affair in the ardor of defending their own interests, and where there will be hardly a representative of Russia and President Wilson will be helpless.

"The Tokio paper *Jiji* says: 'It may be thought that the government (British) holds the point of view that there is not a decided government in Russia which might give a basis for inviting Russia to work together at the peace conference. When the interests of Russia are spoken of, the Allies leave it to us to hope for the dictation of the heart of the Allies, while at present more than ever Russia needs clarity in the resolutions. The director of the South Manchurian Railway, Mr. Kamakami, said the Siberian question will be settled independently of questions connected with the war. The impending agreement between Japan, America, Great Britain and France will settle the question of the Siberian railway. The situation in Siberia cannot he left in its present shape, and demands the securing of the legitimate interests of Japan and America independently of the peace conference.'

"We are in a position to state categorically that no agreement has yet been reached between the Allies on the Siberian and Chinese Eastern Railways. It is the opinion of us Russians that America seeks no securing of her own interests in Siberia, and intends with the agreement and cooperation of the Russians, to help us. The declaration of Mr. Kawakami is evidently only a *ballon d'essai* for the purpose of showing that Japan is not alone in her aspirations in Siberia, and is ready to divide the advantages. *Le ton fait la musique.* If the Japanese statement emanates from an authoritative source it must inspire the most serious alarm in the Russians. The fate of Russia's richest provinces would be decided for her, on the principle of secret diplomacy, informing the Russians when a decision had been made, which might be energetically opposed and lead to fresh shedding of blood. The idea cannot fail to arise in Russian public opinion that there are inadmissible contradictions between the Allied declarations and the Allied acts. The sovereign rights of the Russian people to their territory have not been lost. It will be necessary, and very necessary, to reckon with Russia. If legitimate interests have been declared by Japan and France, the Russian nation has still greater and no less legitimate interests in Siberia. The Allies—for whom Russia has shed rivers of blood, thrown on the field of battle fabulous wealth, and reached her present condition—these Allies intend to settle the fate of part of her territory without Russian participation; saying that they are securing their legal rights. It is true this is hard to believe, and if it takes place it can but bring about the most terrible consequences. Mr. Kawakami speaks of Russia as of a corpse, and as if its property could be done with as one wished. We know that the feeling of national pride is strongly developed with the Japanese, and in this connection they might sympathise with their ends. Will they not think how such declarations may act on the pride of the Russians?

"The streams of Russian blood have not created for us sincere friends, while Bolshevism has driven many of our friends into the camp of the enemy. Let us hope that the creation of the democratic ideals, that spirit called forth by imperialistic culture, has reached such measures that it will be impossible to hold it back. The Russian patriots who invited foreigners to interfere in Russian affairs to put down Bolshevism, did not understand that they were cooperating in the destruction of national values. In such both gladdening and alarming signs we are entering upon the new year. The war has ended, but the prospects are not good for humanity, and especially for us Russians."

Notes from Peking

J. B. Powell, editor and manager of MILLARD'S REVIEW, Shanghai, is now visiting in Peking.

William Cullen Dennis lectured at Teng Shih Kou on the afternoon of January 8 on "The Nations and their Rulers—International Brotherhood."

J. G. McGibb and E. G. Smith have returned to Peking from a week's shooting trip in the interior, while Dr. Arthur Shoemaker has returned from an excursion into Shansi after big game. None of the huntsmen reported any luck.

Captain and Mrs. Hatfield, of the 15th U. S. Infantry, Tientsin, are spending their honeymoon in Peking at the Wagons-lits. They are doing a good deal of sight-seeing, but are not making many social engagements.

Major A. J. D. Thomson, riding Baby Mine, won the fourth run of the Peking Paper Hunt Club on January 5, Willing Spencer, on Dust Storm, being second, and Holger Dreyer, on Camouflage, running third.

D'Arcy Weatherbe, for many years a British resident in Siberia and Russia, has been spending a few days in Peking *en route* to London by way of Japan and the United States. Mr. Weatherbe will travel as courier for the British legation.

Mrs. H. Anhaeusser has departed from Peking to sail per s. s. *Nanking* for the United States. Mrs. Anhaeusser plans to spend a few weeks on the west coast of the United States and then go on to Australia to visit her family for several months.

The Chinese government, being short of funds to pay the salaries of diplomatic representatives abroad and to repay a loan of $600,000 obtained from the International Bank, has applied for a portion of the $10,000,000 reserve of the Salt Gabelle.

Earnest A. Yarrow, of the American Red Cross, and Miss Susan W. Orvis, of the American Board Mission, have succeeded in obtaining passage on the first French steamer leaving Shanghai for Suez and expect to sail for Palestine some time this month.

President Hsu Shih-chang gave a reception to the members of the Diplomatic Corps and distinguished Chinese and foreigners in Peking this afternoon at four o'clock. Among those present there were several foreign correspondents. The reception lasted until seven o'clock.

Minister Lu Cheng-hsiang, China's chief delegate to the European peace conference, reported to the

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Foreign Office in Peking by cable that he had arrived in London on January 9. After interviewing the British Foreign Secretary, Minister Lu and party will leave for Paris.

The first business meeting of the Currency Reform Bureau was held on Wednesday under Director Lu Chung-yu. It was decided to commence business by making an investigation of the currency plans to carry out local reforms in the provinces as a basis for national reforms.

The annual meeting and dinner of the American Association of North China will be held at the Peking Hotel on Wednesday evening, January 15, at 8 o'clock. After dinner officers will be elected and there will be addresses by two prominent men whose names have not yet been given out.

Captain Wallender, who has been in command of Company 1, 15th Infantry, for some time and who is well known to all Tientsin baseball "fans," was married in Manila on New Year's Eve. Captain Wallender and his bride are expected to return to Tientsin on the next transport.

Lewis S. Martin, of the American Car & Foundry Company, has come to Peking and will make a stay of considerable length at the Wagons-lits. Mr. Martin, who arrived in China about two months ago, is representing the interests of his firm in this country and will remain here for several months.

In the near future the President will issue a mandate restoring to Dr. Sun Yat-sen and the members of the extraordinary parliament civil rights which were deprived by a mandate issued by Yuan Shih-kai on September 29, 1916. President Hsu is thus removing each obstacle to peace as quickly as possible.

Mr. Yamauchi arrived in Peking on January 10 to take up the post of First Secretary of the Japanese legation. Mr. Yamauchi has been in the Japanese Diplomatic and Consular service for many years. He was former Vice-Consul at Tientsin, and has been in charge of the Japanese Consulate at Changchun.

R. M. Hodgson, H. B. M. Consul at Vladivostock, spent a few days at the British legation with Mrs. Beilby Alston, whose husband is now at Vladivostock. He left Peking for Shanghai on Tuesday and expects to return to his post in time to attend the wedding of Major Dunlop, Military Attache to the British Consulate at that place.

Fifteen Chinese policemen, to act as sub-inspectors in the Shanghai Municipal Police Department, will be selected in Peking by Major A. H. Hilton Johnson, Deputy-Superintendent of the Shanghai police, and will be on duty in Shanghai in two or three weeks. These men will be able to speak English and are to fill the missing link between the force and foreign officers.

Kung Hsin-chan and General Chin Yun-peng, whose nominations as Minister of Finance and Minister of War respectively were approved by the Lower House on Tuesday, are the only two new members admitted into the new cabinet. Tsao Ju-ling has resigned from the Ministry of Finance in order to devote his whole time to the Ministry of Communications.

A meeting of a small number of influential Chinese and some foreigners was held at the Chinese Y. M. C. A. on Tuesday evening to discuss what measures should be taken against the morphia traffic. Chang Po-ling presided. It was decided to form an anti-narcotic society and to enter into correspondence with the new organization in Peking with a view to taking concerted action.

It is reported that in order to prevent the monopolizing of the Chinese Eastern Railway by any single country, the British, French and American governments have decided to adopt the open door policy for the control of the line. As soon as the Russian revolution has come to an end, the control will be returned to the Chinese government.

Forsythe Sherfesee, American forestry adviser to the Ministry of Agriculture and Commerce, will deliver a lecture to the members of the Anglo-American Association, the students of the North China Language School, and all others who are interested in the subject of forestry problems in China on Friday afternoon, January 17. The lecture will be held at the British Legation Theater.

Carl Ackermann, special representative of the *New York Times* in Siberia, left Peking for America by way of Korea and Japan yesterday. He was accompanied by Mrs. Ackermann. During their short stay in the Chinese Capital, they were showered with dinners and entertainments by their friends. Early this week Mr. Ackermann was received in audience by President Hsu Shih-chang.

Many distinguished Chinese and foreigners were present at the ceremony of the naming of Woodrow Wilson Street in the Special Administrative Area in Tientsin this afternoon at three o'clock. The ceremony was held under the auspices of the Civil Governor of Chihli, Tsao Jui. After it was over, tea was served at the House of the Commissioner of Customs and Mrs. Maze.

C. S. Liu, chief of the traffic department of the Ministry of Communications, a prominent returned student from America, has just been appointed in the absence of Dr. C. C. Wang, acting vice-chairman of the Standing Committee of the Unification of Railway Accounts and Statistics. His many friends extend to him their sincere congratulations for this honor, which he richly deserves.

Owing to the lack of rooms in the Ministry of Communications, the clearing house, a part of the Railway Through Traffic Administration, was located in a separate quarter, although the general office of the same Administration is in the Ministry building. For the sake of economy and to increase the working efficiency, the clearing house, of which J. E. Foley is in charge, has now been removed to the Ministry.

Mrs. E. B. Price, of the American legation, has departed from Peking for Shanghai to sail on the s. s. *Nanking* for America. She expects to spend three or four months in the United States and returns to Peking in the late spring with her husband, who will join her in America at a later date. Mrs. Price will be accompanied by her daughter, Mary Louise, and by Miss Laura Willoughby, who is returning home to join her father, Dr. W. W. Willoughby.

The Japanese police in Tientsin, according to the *Peking & Tientsin Times*, have at last been stirred into a semblance of activity, and detectives are now stationed outside a number of drug-stores to watch for transactions in morphia. An agent of that paper who endeavored to purchase the drug on Tuesday night at a Japanese shop was told that no more morphia could be sold "at present" and that if he purchased it he would get into trouble, as the detectives were searching all customers.

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The Chinese government, it is understood, is going to renew the activities of the Sino-Foreign Commission for making thorough investigations of German and Austrian interests and Austro-German-Chinese commercial relations in China so as to liquidate or expropriate such enemy interests by the government with the assistance of the Allied and American governments. Prominent Chinese having connections with the Germans or Austrians are excited over the matter. Efforts are being made to convert Sino-German and Sino-Austrian concerns into purely Chinese enterprises in Peking, Tientsin and Shanghai.

Peking, January 11, 1919.

Who's Who in China

Tang Shao-yi, Chief of the Southern Delegation

Tang Shao-yi, former Prime Minister, has been chosen to head the Southern peace delegation to the conference for the settlement of China's internal trouble which has lasted for more than one year. Mr. Tang was born in Kwangtung in 1860. He was one of the first group of Chinese students sent to the United States by the Chinese government to be educated. He studied at Columbia University, but returned to China before his graduation upon the order of the government, which was sceptical about the real usefulness of Western education.

Mr. Tang was appointed Assistant in charge of the Korean Maritime Customs in 1882, one year after his return from America. Later he attracted the attention of Yuan Shih-kai, and was appointed secretary to the Imperial Resident in Korea. After the China-Japanese War, Mr. Tang was consul-general in Korea. At the same time he was employed on the staff of the Northern Railway Administration. In the winter of 1900 Mr. Tang was with Yuan Shih-kai in Shantung. It was the year of the Boxer rising, and Mr. Tang cooperated with Yuan Shih-kai in the suppression of the disturbances. In February of 1902 he was appointed Customs Taotai of Tientsin. In September of 1904 Mr. Tang was appointed special commissioner to Thibet. He visited India as China's envoy to negotiate the Thibet convention, which was subsequently completed at Peking in November of 1905.

In February of 1906 Mr. Tang was appointed junior vice-president of the Board of Foreign Affairs. Shortly afterwards, he was made director-general of the Shanghai-Nanking Railway and the Lu-Han Railway. In May of the same year, he was made comptroller-general of the Revenue Council in Peking. In November he was promoted to be senior vice-president of the Board of Communications. At the same time he continued to act as vice-president of the Board of Foreign Affairs.

In April of 1907 Tang Shao-yi was appointed first Governor of Fengtien upon the reorganization of the government of Manchuria, when Hsu Shih-chang, the present President, was Viceroy of Manchuria. In July of 1908 he was sent as a special envoy to America to thank the United States government for waiving part of the Boxer indemnity. In July of 1909 he resigned the governorship of Fengtien.

In August of 1910 Mr. Tang was expectant vice-president of the Board of Communications, and soon afterwards was asked to act for the president, but he resigned his office in the following spring. On the dismissal of Sheng Hsuan-huai on October 27, 1911, Tang Shao-yi was appointed Minister of Communications. In December of the same year he proceeded to Shanghai as Yuan Shih-kai's delegate to negotiate with the revolutionary leaders for peace. He resigned his position as a delegate on December 27.

Tang Shao-yi was appointed Prime Minister on February 13, 1912, after the abdication of the Manchu Emperor. On June 27 he resigned the premiership, and was appointed superior adviser to the President on State Affairs. He denounced Yuan Shih-kai in 1915 when the latter aspired to be Emperor, and worked against his imperial plan.

After the death of Yuan Shih-kai in 1916, Tang Shao-yi was appointed Minister for Foreign Affairs, but he proceeded as far as Tientsin and then returned to Shanghai before the assumption of office on account of opposition in Peking. He has been supporting the opposition of the South-west provinces to the Peking government, nominally, and to General Tuan Chi-jui in reality for the dissolution of parliament in 1917 on the ground that it refused to pass the bill urging war with the Central Powers.

Week's News Summary

THE ARMISTICE

January 6. The German General von Mackensen is brought to Salonika from Hungary and interned.

January 10. An official order is issued in Berlin providing for the demobilization of the German army.

January 12. It is officially announced in Paris that the inaugural meeting of the Peace Conference will take place on January 20.——Discussions take place at a sitting of the Supreme War Council in Paris considering the extension of the armistice in order to give the Germans more time to hand over rolling stock and war material.

January 13. At a sitting of the Supreme Inter-Allied Council in Paris it is decided to revictual Germany provided Germany furnishes all the necessary merchant ships at present lying in German and neutral ports for the purpose of carrying the supplies.

January 14. General Peyton C. March, Chief of Staff of the U. S. Army, in a statement at Washington gives details of demobilization, stating that it is proceeding twice as fast in Great Britain and that

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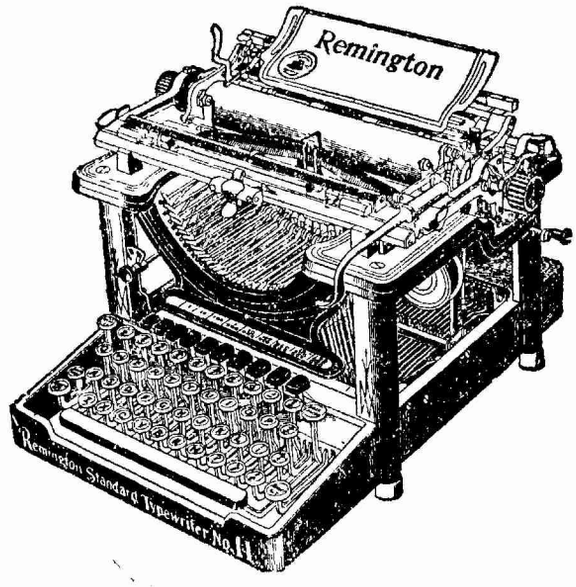

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1,151,000 American troops were now scheduled for discharge.

CHINA

January 15. The Cabinet at Peking approves of the deportation of Germans and indicates that the liquidation of enemy property may follow.——Confirmation is received at Peking of an outbreak of pneumonic plague in the neighborhood of Taiyuanfu (Shansi province).

January 16. The legations at Peking agree to hand over to China the Customs surplus of $12,000,000 for the purpose of meeting the Fourth Year Internal Loan payments and also for other purposes, including expenses of removing Chinese troops from the front.——A Reuter's message states that the objections raised in Shanghai to the burning of opium stocks is not understood in North China, the actual value of which is not £5,000,000 but only £225,000 (based on sales prices abroad).

GENERAL

January 6. Conditions in St. Petersburg are described by returning travellers as becoming terrible, the population having dropped to about 800,000 instead of the several million which it contained in pre-war days; starving people are to be seen falling dead in the streets daily; the real dictator of Petrograd is said to be a young woman named Jacobleva while Trotsky has arrested Lenin because the latter had become too "moderate."——A message from Paris states that representatives of the Chinese workmen and soldiers residing in Russia have summoned a plenary assembly at Moscow with the help of the Bolsheviks and have resolved to send revolutionary emissaries to India and China.

January 7. A message from London indicates that the new British warship *Hood* now nearing completion will be the largest fighting vessel in the world, being 894 feet long and carrying eight 15-inch guns; she is expected to attain a speed of at least 40 miles an hour.——The internal disturbances in Germany continue with increasing violence; the Spartacus group under the leadership of Liebknecht makes violent attempts to overthrow the Ebert-Scheidemann government; the tide in Berlin goes against them as the result of General von Hindenburg coming to the support of the government; in the provinces however the Spartacus party gains ground.——Major-General Sykes, Chief of the British Air Staff, in a speech in London predicts that there is shortly to be a weekly mail by air to India and that airships might be expected to regularly encircle the globe.

January 10. It is announced at New York that the late Colonel Roosevelt left an estate of G. $500,000, of which $60,000 is to be divided among his children, the remainder going to his widow.——New York City is practically isolated from the rest of the country by a monster strike of harbor employees involving about 80,000 workers; a coal and food shortage is threatened; the War Labor Board arranges for a meeting to investigate the strike and assures the workers that it will practically establish equitable wages and working conditions.

January 11. The British Premier announces the composition of his new Cabinet, among the members being Sir Satyendra Sinha, Under-Secretary for India (the first Indian to be appointed a member of the Cabinet), and Winston Churchill, head of the War Office and Air Ministry.

January 12. 250 persons are killed and 700 wounded in riots at Buenos Aires (Argentine) arising out of a general strike involving 150,000 workers.

January 13. The Ebert government at Berlin having issued warrants for the arrest of Liebknecht he is reported to have fled to Leipzig.

January 14. Following a conference participated in by the President of the Argentine Republic, the general strike in Argentine is brought to an end but the dock hands still continue to strike.

January 15. Luxemburg declares itself a republic after voting to overthrow the dynasty.——The French Chamber of Deputies re-opens at Paris; the French Senate arranges to give a banquet in honor of President Wilson January 20.——The Aero Club at New York announces that an expedition, headed by Captain R. Bartlett, will start next June for the polar regions.

America

Postmaster-General Burleson beginning of December dismissed from government service Edward Reynolds, vice-president and general manager of the Postal Telegraph-Cable Company, and A. B. Richards, general superintendent of the company's Pacific Coast Division, for alleged insubordination against the government's plan to amalgamate the Postal with the Western Union Telegraph Company.

In recognition of his services to the Allied cause, the municipal government of Lisbon has voted unanimously to name one of the city's most prominent highways after President Wilson, according to dispatches received. The street, a wide, residential avenue, has been called Avenida das Cortes, but now will be known as Avenida Presidente Wilson. It extends from the River Tagus to the House of Parliament, and is one of the city's chief arteries.

Men and Events

BORN—To Mr. and Mrs. G. L. Treadwell, a son, Chan Sybrandt, at the Victoria Nursing Home, Shanghai, on Saturday, January 11.

Waldermar F. Oehlmann, representing the Equitable Trust Company of New York, arrived in Shanghai on January 11 per s. s. *Ecuador*.

An illustrated lecture "On a Jaunt Through Szechuan" was given on Wednesday evening, January 15, at the meeting of the Union Church Literary and Social Guild.

H. G. W. Woodhead, editor of the *Peking & Tientsin Times*, has received the silver Medaille de la Reconnaisance Francaise for his activities during the war in the immediate interests of France and the Allied cause.

The following list of Assessors to sit in the International Mixed Court in Shanghai to try civil cases during the year 1919 was announced during the week as follows: P. Grant Jones (British), R. P. Tenney (American), A. H. Blackburn (British), C. J. Spiker (American).

It is reported that the Fourth Liberty Loan Bonds purchased through the American-Oriental Bank have arrived and are ready for distribution. The bonds bought through the American Express Company are also ready for delivery at their office, No. 8 Kuikiang Road.

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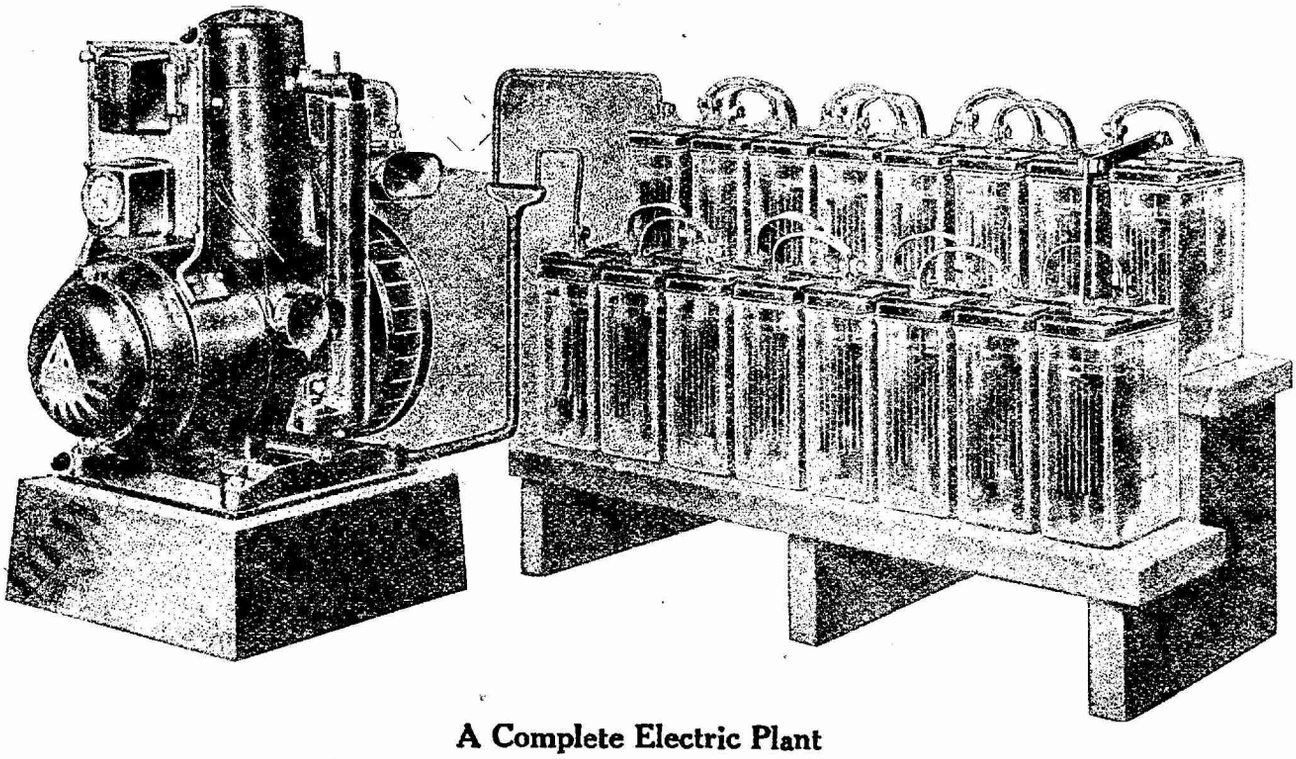

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07-277

A dinner dance will be given by the American University Club of China on Friday evening, January 24. It has not be definitely decided as to whether the dance will be held at the Carlton Cafe or at the Columbia Country Club.

A set of fifteen volumes of "Literature of Universal History" has been offered by the Chinese American Publishing Company, Shanghai, to the winner of the membership campaign being conducted by the Chinese Y. M. C. A.

In the issue of the REVIEW for January 11 it was stated that Dr. Yamei Kin was a representative of Dr. Sun Yat-sen in the United States at one time. However, we have been informed that Dr. Yamei Kin was not connected with Dr. Sun Yat-sen in any capacity.

Professor Guy C. Stockton, principal and superintendent of the Shanghai American School, gave a lecture on "Teaching Temperance" at the Shanghai Women's Christian Temperance Union on Thursday, January 16, in the Union Church Hall.

Rev. Paul Hutchinson, who is engaged in doing editorial work for the Methodist Church Mission in China at Shanghai, will address the American Song Service on Sunday afternoon, January 19, in the Palace Hotel at 5 o'clock. There will be special music by W. J. Haynes.

Tickets have been sent out in connection with the opium burning which started at Pootung on Friday morning, January 17, at 9 a.m. A launch will leave the Municipal Jetty, Shanghai, at 9 a.m. each morning to convey spectators across the Whangpoo river to witness the burning.

Charles E. Kline, who was formerly clerk of the American Consulate-General, Shanghai, has been appointed Vice-Consul. The appointment dates from December 12. Mr. Kline came to Shanghai from Manila in September 1917, where he was a stenographer in the Bureau of Customs.

It is reported that the Sincere Company Ltd., the Canton Sincere Company Ltd. and the Sincere (Shanghai) Ltd. have, by special resolutions, resolved to go into voluntary liquidation with a view to amalgamating under the name and style of the Sincere Company Ltd. The new company is being formed with a capital of $7,000,000.

An appeal for a supply of mathematic books, including text books of algebras, arithmetics and geometries, has been made to the U. S. Post Office here by Harry Clemons, representative of the association with the United States Expeditionary forces in Siberia. Any reading matter in the form of magazines and books is acceptable.

The annual Inter-Company Competition drill, inspection and review of the students' battalion, as well as a Boy Scouts exhibition, will be held on the University grounds, St. John's University, Shanghai, on Saturday afternoon, January 18, at 2.30 o'clock. Lt. Commander M. C. Shirley, U. S. Navy, will act as reviewing officer and judge of the competition.

According to the December issue of the *Fourth Estate*, the marriage took place at New York recently of Frank N. Doubleday, president of the publishing firm of Doubleday, Page & Co., and Miss Florence van Wyck. Mr. and Mrs. Doubleday sailed for Europe on their wedding trip. Mr. Doubleday recently toured the Orient promoting Red Cross work, where the death of his former wife occurred at Canton, China.

W. R. Dorsey, who arrived in Shanghai on the s. s. *Ecuador* January 11, will act as Administrative Consul. Mr. Dorsey was with the American Consular staff six years ending 1912 prior to his returning as Senior Consul. In 1912 Mr. Dorsey was Consul at Jerez de la Frontera, Spain, from there he was Consul at Rangoon for nine months, and then to Quebec, where he served as Consul for eighteen months.

E. H. Everett, U. S. Postal Agent, is planning to depart for the United States on the *Empress of Japan* January 18. Mr. Everett will go direct to Washington as the result of a cable summoning him to attend a conference to discuss handling of American mail here, at Vladivostock and at other points in the Far East. During his absence, the American Post Office will be in charge of E. H. Murray, and L. T. Kenake will act as superintendent of mails.

The United States Shipping Board has assigned three trans-Pacific cargo boats to the Pacific Mail Steamship Company for permanent operation. The three steamers *Eclipse*, *Archer* and *Westvaca*, each capable of carrying 14,000 tons of cargo, were completed during America's campaign for "a bridge of ships." With the *Santa Cruz* and *Colusa* on the East India service and three Shipping Board steamers operating between Manila, Saigon, Haiphong and Singapore, the Pacific Mail now operates eleven ships on the Pacific.

A Washington's Birthday Ball is planned to be given by the American Company, S. V. C., on February 22 at the Town Hall, Shanghai. The General Committee has been named and is composed of the following, with Consul-General Sammons, of the American Consulate-General, as chairman: Consul-General Sammons, Capt. S. A. Ransom, Cpl. H. F. Kay, hon. secretary and treasurer; T. F. Cobbs, J. H. Dollar, Dr. W. T. Findley, W. S. Fleming, J. D. Gaines, J. W. Gallagher, E. H. Grooms, A. R. Hager, A. J. Israel, J. J. Keegan, F. J. Raven, Pvt. W. E. Sauer and C. L. Seitz.

Japan has endorsed the Zionist movement for a Jewish National Homeland in Palestine. The Japanese government was approached by the Shanghai Zionist Association in September, Ellis Kadoorie, president, sending a petition to Viscount Uchida, Minister for Foreign Affairs. A letter from the French Embassy was received by Mr. Kadoorie announcing that the Japanese government has pledged its sympathy to the realisation of the aspirations of Zionists throughout the world. The Shanghai Zionist Association has replied, expressing apprecation, and has cabled the news of Japan's declaration to the Zionist organizations in London and New York.

It is reported at Peking that the American, British, French and Japanese legations, and the Ministries of the Interior, Foreign Affairs and Finance have established a commission for dealing with German interests in China. The commission at present is composed of Dr. C. D. Tenney, Chinese Secretary of the American Legation; P. E. Blanchet, Consul and First Secretary of the British legation; and Tatsuichiro Funatsu, First Class Secretary of the Japanese legation, S. Barton, C. M. G., Chinese Secretary of the British legation, together with one delegate each of the three boards mentioned. The commission is for the purpose of investigating German and other enemy interests in China under Chinese control, and will advise the

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STRUCTURAL DESIGNS AND ESTIMATES.

07-279

Chinese government as to the expropriation of such interests.

The death occurred on January 10 of Walter Scott Emens, manager of the firm of W. S. Emens & Company. Mr. Emens was one of the oldest American residents in China, coming to China in 1881 to join the American Consular service. After leaving the American Consular service he joined the American Trading Company, and was manager of that company at Tientsin. He took a prominent part in the administration of the Provisional Government of Tientsin during the Boxer trouble and acted as Chief Judge of the Provisional Court at Tientsin. For many years Mr. Emens was a member of the firm of Frazer & Co. before he engaged in business on his own account under the firm name of W. S. Emens Company and was so engaged at the time of his death. Mr. Emens took a prominent part in the affairs of the American community, and was twice president and for many years a member of the committee of the American Association of China. He leaves a widow, three sons and a daughter. Two sons are in the American army in France, one being a first lieutenant in the infantry and the other with the engineer corps. One, J. S. Emens, has been engaged in business with his father in Shanghai. The funeral was held at Bubbling Well Cemetery on January 11.

Major Willard Straight's Career

Major Willard Straight, U. S. A., who died of influenza in Paris on December 1 would, had he lived, been attached to the American mission headed by Colonel House which preceded President Wilson to the peace conference. Colonel House had asked that Major Straight be assigned to the mission. Major Straight's record of war service was varied and brilliant. Even before the United States entered the war he was appointed chairman of the Mayor's Committee on National Defense of New York City. Major John Purroy Mitchel selected him because he desired that the committee be something more active and effective than the average citizens' organization. Major Straight made it so. He gave it practically all his time, raised a large amount of money, drafted capable men into its service, laid the basis for an effective recruiting campaign and contributed to the important war relief work that came later by analyzing the economic effect of the ordering of New York militia regiments to the Mexican border in 1916. This showed the situation in which were left the families and dependents of militiamen thus removed from paying positions. After entering the army Major Straight was, at Secretary McAdoo's request, placed in charge of the organization in France of the soldiers' insurance service which he organized with great rapidity but from which he sought release as soon as it was organized in order that he might have more active service. When Major Straight was chairman of Mayor Mitchel's National Defense Committee Mrs. Straight was chairman of a Woman's National Defense Committee of the City of New York and when its personnel was changed with the change of the city administration last year she continued to devote her entire time to war work of various kinds and word comes from New York that she is now continuing this service with but a brief interruption.

Women's Work

First Chinese Woman Ambulance Surgeon at New York

The first Chinese woman ambulance surgeon at Bellevue Hospital, New York City, recently created quite a sensation upon her appearance in the streets of New York. The above picture is that of Dr. Pang Yuen-tseo, born in Nanchang, China, who has been studying medicine in the United States and is now acting as interne in the Bellevue Hospital. Dr. Tseo was graduated from a boarding school at Kiukiang, China, and went to New York with the first class of Chinese girls sent out by the Chinese Educational Mission. She first attended Northwestern University, taking her degree in 1911. Following this she spent three years in studying science and medicine at the University of Michigan, after which Dr. Tseo completed a three-year course at the University of Chicago, receiving her doctor's degree. Dr. Tseo has won numerous scholastic honors at these institutions. Bellevue Hospital, where Dr. Tseo is now interne, is a great free hospital for New York City. It is Dr. Tseo's plan to bring back not only the best theory and practice of modern medicine to China but also to carry to her people the meaning of the true spirit of democracy which has impressed her in America. She is especially anxious to see the women of China become economic units, and hopes to assist in their development along this line.

Entertainment Planned for Y. W. C. A. Secretaries Attending Conference

More than 600 invitations have been issued to the Chinese and foreign communities of Shanghai by the National Committee of the Y. W. C. A. for an entertainment and tea to be given at the Carlton Cafe Friday afternoon, January 24, from 4.30 to 6.30 o'clock for the fifty Chinese and foreign Y. W. C. A. secretaries from various parts of China who will meet at Shanghai for a conference. The program includes talks to be given by Mrs. C. S. Lobingier and Mrs. T. C. Chu, and solos by Mrs. J. Black and Mrs. H. C. Mei. Folk-dancing and Chinese boxing exhibitions will be given by the girls of the Normal Physical Training School of the Y. W. C. A.

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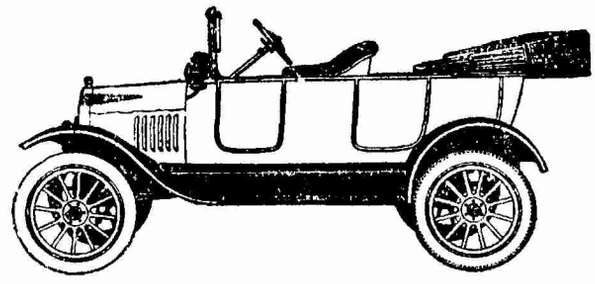

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American Red Cross at Swatow

The Swatow chapter of the American Red Cross, formed less than a year ago, now totals 72 members, 3 of whom are life members. At the recent Christmas roll-call, 65 persons enrolled, and a sum of Mex. $310 was subscribed for local support of women's work. During the quarter ending December 31, 1918, the following articles have been made by the ladies of the Swatow chapter and forwarded to Shanghai:

Bandages, triangular	236
Bandages, many-tailed	45
Socks, bed	42
Socks, knitted	93
Sweaters	39
Towels, hand	200
Cloths, tray	300
Towels, bath	100
Towels, dish	100
Towels, operating	200
Helmet	1
Wooden trays	100

American Woman's Club

The American Woman's Club will hold a tea dansant and an exhibition and sale of paintings at the Carlton Cafe on Wednesday afternoon, January 22. The exhibition of paintings will be from 3 to 5 p.m., and dancing will take place from 5 to 7 p.m. to the music of the Carlton orchestra, under the conductorship of Frank Augustine. The entire proceeds of the entertainment will be given to the Siberian War Relief Fund. Tea, cakes and salad will be served, and the charge for admission is one dollar, and fifty cents extra for tea. Louis Ladow has donated the hall and music. Paintings by Mme. Wu Hsing-fen, one of the foremost Chinese ladypainters, will be on view, and Mme. Wu has donated 30 of these to be sold, all the proceeds to go to the Allied War Relief Association for Siberia; Mrs. James Macbeth has also given a painting.

Far Eastern Press Opinion

Peace in Europe and China

From the Shanghai "Shih Pao" (Chinese)

1919 is just beginning but in our view the year will end with peace negotiations still in progress. It is reported that the world peace conference will not end until the end of 1919. If so then the Versailles conference will last fully a year. It is probable that the internal peace conference of China may last even longer than the European conference. The reason is that while the delegates for the European conference have already been appointed, the delegates for our internal conference have not yet all been selected! The European conference knows where to meet but China has not yet decided where the internal conference is going to sit. Fighting has ceased in Europe but it is still going on in China. Using these facts as a standard for comparison we believe the Chinese internal conference will not close until after the Versailles conference has done its work.

Siberian Railway Management

From the "Herald of Asia" (Japanese)

A reader, who calls himself "Nipponicus," writes us that he read with disgust our article on "American Activities in Siberia" published in our last issue. "Why," he says, "Americans endeavor to have in control the Siberian Railway? They are mere Jews in disguise of democracy. They are working hard to have in their hands the economic imperialism in Asia under the mask of the open door doctrine. You are coveting Americans." We cannot clearly see what the writer means by the term "coveting Americans." Probably he means to say that we are currying favor with Americans. If so, we must plead not guilty. We simply expressed our honest opinion, and if "Nipponicus" does not like it we cannot help it. However, even supposing that Americans are endeavoring economically to dominate Asia, as he thinks, is it wise simply to cavil at them, as a section of our press is accustomed to do? At best, it is useless. Let us try to outdo and defeat them by resorting to the very tactics they are adopting in Siberia and China, *viz.* by extending material help and showing kindness to the Siberians and Chinese.

Foreign Interference in China

From the Shanghai "Hsin Shen Pao" (Chinese)

We do not advocate the proposal to ask the foreigners to settle our quarrel. It is a disgrace to have internal quarrels. If we wish to show repentance we should settle the dispute amongst ourselves. There is some excuse if we would accept the friendly advice of a third party by mutually yielding and coming to a compromise. It is wrong to insist on quarrelling among ourselves and at the same time expect a foreigner to arbitrate. Suppose the verdict were given by the arbitrator and one side should be unwilling to abide by the decision. Could we expect the arbitrator to take the side of the winning party by supplying him with funds to carry on the internal war? If it is said that both sides are bound to obey the decision of the arbitrator, then why should we be so degraded as to order the ruling of a foreigner to that of a Chinese?

Japan's Twenty-one Demands

From the "Peking & Tientsin Times" (British)

Japan's action in regard to the Twenty-one demands was a colossal diplomatic blunder, and is recognized as such by most thinking Japanese to-day. It was disloyal to her ally, it was flagrantly immoral, it cannot be justified by any argument that will carry conviction to those to whom the facts are known. And now that the peace conference is about to assemble it would be well for the Japanese government to consider whether the moment has not come to purge itself of this stain upon Japan's national honor, and her international reputation. Does Japan to-day seriously expect concessions extracted by such methods to be embodied in the code by which international relations will be regulated in the future? Does she deem it consistent with her honor to incur the risk of the Chinese delegation raising, at Versailles, the question of the validity of an agreement extorted from their country by threats of force, and in flat contradiction of the principles by which the Allies have been inspired throughout the European conflict? Japan, of course, never expected that China would be represented at the peace conference when the Twenty-one demands were presented. She did her best to keep China neutral, not in China's interests, but in her own, and in the hope that there would be no turning back to this shameful page in Far Eastern diplomacy when the day of reckoning arrived. It is going to be very difficult now to keep the record of the first four months of 1915 out of the discussions at Versailles. Unless the Chinese delegation is completely under Japanese control—which is emphatically denied at Peking—it will prove well-nigh impossible to prevent the Chinese delegates from laying before the representatives of the civilized Powers a dispassionate summary of the methods

adopted by Japan in 1915 to "maintain the peace of Eastern Asia." Matters have turned out so very differently from what Marquis Okuma and Vitcount Kato expected, when they bludgeoned China into submission. They reckoned upon the exhaustion, if it not the defeat, of Great Britain, and the permanent neutrality of the United States. Instead, they see Britain and America entering the conference at the very zenith of their military power, and able to enforce justice, in any part of the world, upon any nation infected with the Prusssian spirit. China, for all her shortcomings, follies and dissensions, can rely upon careful and impartial consideration of all claims which are founded upon justice, and justice alone. Unless, therefore, Japan is assured that the Twenty-one demands are not to be mentioned at the peace conference, she would be well-advised spontaneously to abandon pretensions to which she could establish no shadow of right, if they should be challenged by her victim.

Japanese Promises and Performances

From the "Ting Hsing Pao" (Chinese), Canton

No sooner had the Hara cabinet made public Japan's policy towards China, than came the announcement of the secret loan effected by Little Hsu, with the statement that the Japanese cabinet was not cognizant of the loan. Considering the circumstances of Little Hsu's trip to Japan and the avowed declaration of the Japanese government to remain neutral to the North and South alike, it is difficult for us to reconcile words with reality. In view of the attitude of President Wilson towards the solution of world affairs on the basis of righteousness, this kind of diplomacy (Japanese) must conflict with the ideals of democracy and substitute hypocrisy for truth. On this account, we fear that Far Eastern questions will unavoidably involve America and Japan in misunderstandings.

The Freedom of the Seas

From the "Jiji," Tokio

In reference to the recent statement of Ear Grey on the freedom of the seas, the former Secretary for British Foreign Affairs insinuates that America is acting in peace time contrary to the principle of the freedom of the seas. The reference is to the "coastal trade"—so called in America—between America and the Hawaiian and Philippine Islands, in which all foreign vessels have been prohibited to take part for these two decades. This is certainly an extraordinary interpretation of the term coastal trade, the parallel to which can be found only in the Russian exclusion of foreign vessels from the so-called coastal trade between the Baltic, the Black Sea and Vladivostock. Of course it is an established rule to reserve the coastal trade for home vessels provided there exists no special agreement, but it is preposterous to call the trade between America and her colonial possessions so removed as the Hawaiian or the Philippine Islands "the coastal trade" and to prohibit all foreign vessels to participate in it. The Earl also emphasises the impossibility of abolishing or limiting the commercial blockade, referring to the blockade against Germany which has proved so useful in crushing her. His statement is considered typical of British opinion and we are inclined to believe that it is an extremely idealistic view to extend the application of the freedom of the seas even to the abolition or limitation of the blockade.

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The Special Position Enjoyed by Japan in China

From the "China Times" (Chinese), Shanghai

Yesterday I wrote a comment on the question of equal rights of all peoples in the world, in which I stated that a prejudiced conception of racial difference by Americans and Europeans would naturally make the Japanese cry out that they had not enjoyed equal rights in this world. Their excuse was the ill-treatment received by the Japanese abroad. But now I will say that our sufferings which we have borne from Japan owing to her having a special position in China are a hundred times more atrocious than mere ill-treatment. Then it is perfectly justifiable for us to cry out with a louder voice. We, the newspaper editors, have unanimously telegraphed to the Japanese government, asking for an immediate cancellation of Japan's special position in China, on behalf of the Chinese people. Yet we do not know whether she will grant us this request, and put it into effect, if she actually shows pity on her neighboring people. An old Chines proverb says "One should not give to another what he does not want himself." Japan is struggling for an equality with the Whites. How can she treat the Chinese unequally? As the Japanese usually try to show their friendship toward China, perhaps they will agree to our solicitation. We are now earnestly waiting for their answer.

Chinese Government Railway

Kaifengfu-Honanfu (Peinlo) Line

The Kaifengfu-Honanfu (Pienlo) Railway often called the Lunghai and Pienlo Line connects the main Shanghai-Tientsin lines with the Peking-Hankow line. It is 115 miles long and was financed principally by Franco-Belgian capital.

This line joins the Peking-Hankow Railway at Chenchow and an extension to Hsuchowfu on the Shanghai-Nanking-Tientsin line is centemplated. The line is franchised and has a capital of Mex. $17,270,595 of which Mex. $17,182,006 is paid up. The franchise for its construction was granted to the Compagnie Generale des Chemins de fer et Tramways de Chine. 260 miles of extension to Sianfu was originally granted to two Chinese provincial companies. The first Section of 115 miles was redeemed by the Chinese Central Government in 1914.

The amount at credit for the cost of the railway was Mex. $16,537,779 and of this sum Mex. $16,300,117 has already been disbursed. Passenger receipts for the first five years working were: Mex. $273,489; $303,960; (No record); $482,097; $537,313. Freight receipts in 1911 and 1912 were Mex. $261,348; and Mex. $274,960, and in 1914 and 1915 Mex. $547,388; and $485,377 respectively.

The general working expenses in 1911 and 1912 were Mex. $465,179 and $524,741 and in 1914 and 1915 were Mex. $464,464 and $606,426 respectively.

Further information regarding the line may be obtained by addressing the

DIRECTOR GENERAL, LUNGHAI RAILWAY
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Japan and China's Peace Terms

From the Tokio "Chugwai Shogyo" (Japanese)

Lu Cheng-hsiang, Chinese peace delegate, is reported to have announced in New York concerning two conditions of China in the peace conference, namely to restore Kiaochow to China and to revise the treaties of commerce. The return of Kiaochow had been agreed upon by Japan in 1915, on condition that it shall be placed at Japan's disposition first by the peace conference and then returned to China at a favorable opportunity. Japan is not obliged to return it but she is willing to do so for the sake of the permanent peace of the Orient. This we want the Chinese nation to understand. Regarding the revision of treaties of commerce, Japan is quite willing to take initiative to see that they are properly revised. But these conditions regarding foreign relations are secondary things for China. The first thing to be done is to restore internal order in that country. While representatives of North and South to a Chinese peace conference have been chosen, the movement for compromise has not progressed as might be expected. The Shensi and Fukien questions seem to be blocking the progress of the conference; also the question of the name of the conference. Such petty matters should not be in the way of settlement of the trouble between North and South. The expeditions into Shensi and Fukien, according to Premier Cheng, have been despatched to restore order in those localities. The bandits there have been working harm for a long time. The governors and the armies stationed there were Northerners from the first. There have been no Southern forces. If the bandits could be called armies of law protectors, then all the bandits throughout China are law protectors, says Premier Cheng. We do not know the truth as to the real situation in those provinces, but conditions there are certainly not as the Southerners represent them to be. Misunderstandings should at once be removed and the work of compromise should be prosecuted with all haste. Regarding the loans to China, the Southerners seem to suspect the sincerity of Japan's declaration. Japan will not hand over the rest of the money contracted on loan, particularly the loan of Yen 20,000,000 for China's participation in the war. But the railway loans for the building of the Kirin-Huaining Railway and the two railways in Shantung and Honan should be excepted, because those railways should be built as soon as possible. The expenditure of the money on those loans, if properly supervised, will not be used for political purposes. This point we want the Southern Chinese to understand.

The Flour Mills' Industry a Purely Chinese Enterprise

BY Y. L. CHANG

FLOUR is used more extensively in the North than in the South of China. It is a staple food to the Northern Chinese as it is to the Western people, but of course the food is prepared in a different way. Primitive methods have been applied in making flour up till about only 20 years ago, when improved methods were introduced with the appearance of a number of flour mills first at Shanghai and then at different other places. Although native flour is used to a large extent, the flour prepared by the mills is growing in popularity because of its better qualities. Flour turned out of the Shanghai mills alone is valued at 50 or 60 million dollars a year.

One noteworthy fact about this industry is that while the silk filatures and cotton mills at Shanghai are in the majority owned and operated by foreigners, the flour mill industry is run almost exclusively by Chinese. Recently, however, this prestige is said to have been impaired by the appearing on the field of a Japanese flour mill.

According to the information furnished by the flour guild of Shanghai there are now in China more than 36 flour mills both big and small which are worthy of mention, found in the following places: Shanghai, Nantung, Wuhu, Hankow, Chinang, Chining, Tientsin, Peking, Wusieh, Tsichow, Kaoyuei, Chinkiang and Tsinkiang—seventeen of them are found at Shanghai, three at Hankow, five at Wusieh and one or two in each of the remaining places. The majority of the mills at Shanghai are located in the direction of South Chapei or South Soochow and Markham Roads, usually with buildings of 3 or 4 stories high, alongside creeks for facilitating delivery of their products by boats to their respective destinations. Should these 17 mills at Shanghai run full 24 hours a day 70,000 sacks of flour would be turned out in a single day. Most of these mills do not run in the night unless market conditions require, and when demand for flour is scarce, these mills sometimes stop running for days until the market resumes its normal condition.

With the tremendous possibilities for growing wheat in China the mills certainly have no need to

worry about any shortage of supply. A conservative estimate puts the annual wheat yield of China at 26,000,000 tons. Wheat is grown throughout all the provinces of China but more is grown in the North and Manchuria is said to have produced 10,000,000 bushels a year. Mills outside of Shanghai draw their wheat supply mostly from their own localities. The Shanghai mills, however, besides buying wheat locally also import wheat from Anhui, Shantung and other provinces.

Considering the gross output of flour by the mills, the amount of flour exported abroad has been insignificant. In 1914, according to the Customs returns, only Haikwan Tls. 339,839 worth of flour was exported. The exports of 1910 of Haikwan Tls. 9,016,589 worth of flour seemed to be exceptional. Although there is an ample supply of flour at home, China still has room for imports and in 1914 she imported from abroad flour to the value of Haikwan Tls. 9,016,589. With the teeming multitudes of people as consumers of native flour and of flour made by improved methods, China ought to furnish a field for a much greater number of mills than have already existed, and with good profit too, should they be run properly.

Most of the flour exported from China went to Japan, for Japanese consumption and re-export to other countries. Due to lack of shipping facilities the Chinese flour merchants have been unable to engage themselves directly in the foreign export trade, which has therefore fallen into Japanese hands. The Japanese make their orders from the Chinese flour mills and resell them to other nationals either directly at Shanghai or in Japan. In this wise, not only the foreign export trade but even the local outport trade also, especially to the Southern ports like Foochow, Canton, Swatow, etc., which are connected by Japanese steamship lines, has been taken over by the Japanese. Then, too, people who buy flour from the Japanese merchants are usually given one month in which to pay their bills, whereas Chinese merchants are compelled by circumstances to demand cash for their sales.

In order to stimulate the progress of the flour industry and for the convenience of business men, an Exchange House has recently been established, where flour producers, merchants, speculators and salesmen meet every day at 3 o'clock in the afternoon for making sales and purchases of wheat and flour. The assembling in one single place of these flour and wheat merchants enables one to make a number of transactions in the shortest possible time. The Exchange House is now situated on Foochow Road and has existed already for five years. Only flour merchants of good standing are admitted here. The Exchange House is taken care of by a board of four directors elected by the representatives from each mill once in three months; and is supported by the mill owners, flour merchants and salesmen. A larger house will soon be put up with more ample accomodations. Of the flour mills at Shanghai the Fu Feng mill may be chosen as a representative one as it is the oldest and the largest. Some remarks concerning this mill therefore should not be out of place. This mill was established in 1900 by a certain Mr. Sun as a private concern, with an initial capital of about three hundred thousand dollars, and is now worth more than a million. Since it was the pioneer mill, it took some time before the merits of its products became known to the public. It was not until 4 or 5 years after its establishment that its business became so good that the annual profit almost equalled the amount of capital invested, but as time went on profits were getting less attractive due to competition from new mills coming into operation from time to time.

This Fu Feng mill like most other mills is situated by the side of a creek on Markham Road, covering 50 or 60 mow of land. The whole plant includes the mill, a power house, a machine-shop, a heating house, and a number of godowns. The mill contains two units of machines of 6 rollers each for grinding wheat into flour. Two American millers were employed here. One had been connected with the mill for 18 years and has retired only recently, and the other, who is still engaged to look after the mill, has been connected with it for about 12 years. Like the rest of the mill hands these two Americans live in the mill compound and are housed in a comfortable European-style building of two-storeys high. The services of these old-hand American millers are almost indispensable to the success of the mill as the untrained handling of the flour machines would mean a loss of 3 or more per cent of flour. Considering the thousands of sacks of flour turned out from the mill every month, the loss would be considerable. The mill had originally 3 units of machines. On account of more favorable conditions at Shantung, one unit was transfered to that locality to equip a new mill which has just been started as a branch of the old mill. The power house is looked after by a Chinese mechanical engineer, American-trained, a graduate of the Boston School of

Chinese Government Railways

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THE Peking-Hankow Line, the most important section of China's overland route, enables tourists and travellers to get a glimpse of Old China, the train passing through magnificent scenery, travesing the great plains of Chihli, the central portion of Honan and the mountainous region of the eastern Hupeh province,

The Peking-Hankow route joins at Fengtai the main line of the Peking-Mukden Railway, by means of which this line is connected with the railways in Manchuria, Korea, Japan and Siberia, while steamer facilities at Hankow bring it into easy communications with the Yangtze River ports and Shanghai.

From the Capital of Hankow the journey occupies 34 hours, by the daily through train which is provided with up-to-date sleeping and dining accommodations.

Chikungshan Mountain (Summer Resort), not many Summer Resorts in China inland can bear comparison with the natural charming views that reward those who ascend the mountain of Chi Kung Shan whose summit stands at an altitude of 1980 ft. On reaching Sintien station, situated 110 m. from Hankow, a serpentine road climbs the mountain, on top of which are hundreds of beautful bungalows awaiting vacationists. This popular resort is celebrated for its scenery, where an almost unbroken communion with nature can be enjoyed for a week at a time.

Hsi Ling or Western Tombs. With their present-day accessibility, there is now little excuse for visitors to Peking omitting a trip to the Western Tombs, undoubtedly one of the most impressive sights in China. The site of these beautifully adorned Imperial Tombs is close to Liang Ko Chwang station, 79 m. from Peking, which is reached by a Branch-line formerly built for the exclusive use of the Imperial Sovereigns when visiting the Tombs of their ancestors. The Western Tombs include the mausoleums of four Manchu Emperors and three Empresses, as well as those of a number of Princesses. The region is justly appreciated for the charming scenery surrounding the Imperial Tombs and is highly recommended to any one in search of the extraordinary and beautiful.

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Technology. The heating house is used for drying wheat on rainy days so as to keep the mill running even under unfavorable weather conditions.

A new feature of the mill is a bleaching machine which is said to be capable of whitening the best grade of flour to a remarkable extent with the aid of oxygen. Two rows of barracks like buildings two-storeys high are within the compound in which the mill staff and other employees lodge. In the storerooms or godowns are thousands of sacks of flour in big piles. In the courtyard are a number of workmen busy removing the sacks to the boats which are waiting in the creek ready to be paddled or towed to Shanghai or other places. A few more buildings are under process of construction, which when completed will be utilized as godowns. The mill produces four different grades of flour, the qualities being judged by their fineness and color. The daily output of the mill averages about 5,000 sacks besides a certain quantity of bran in proportion with the amount of flour produced. The mill is running fully 24 hours every day except on Mondays, when the mill closes for cleaning and repairs from 6 o'clock in the morning till 5 o'clock in the evening, when it begins to hum again in its daily round of routine work. The mill people claim their brand to be superior to others for the simple reason that their flour can keep better, being free from dampness, prices for their flour therefore are said to be somewhat higher than those of other brands. The flour turned out by this mill is sold and shipped to the Northern ports like Chefoo, Tientsin, Antung and San Hai Kwang, and to the Southern ports like Foochow, Amoy, Swatow and Canton. Some of it goes to Japan.

Commercial and Financial Notes

Six Blue Funnel liners will arrive in Shanghai before February 13, according to the first announcements of arrivals since 1914 made by Butterfield & Swire, local agents. Five of the steamers are scheduled to come from London, to be here on January 16, 21 and 26 and February 6 and 13. On February 4 the *Teiresiat* will reach here from New York and the Panama Canal.

A collection of stamps was recently sold in Paris for 80,000 francs by the son of a French banker in Petrograd, who returned to France when conditions in Russia became unpleasant under the Bolshevik *regime*. His leave from Russia was granted on condition that he should take only 1,000 francs with him, which sum was inadequate, but the story is told, according to the *Christian Science Monitor*, that during his last few days in Russia he exchanged many of his personal valuables for stamps and departed from the country with his regulation of 1,000 francs and the stamp album which he disposed of for 80,000 francs.

British shipowners complain somewhat bitterly that the Japanese have acquired some of the important shipping which the Germans lost in China. The trade in whole eggs and egg yolks, both liquid and powdered, is specially cited. Before the war this trade was centered in Hamburg, the distributing center from which the various European markets were served. Scarcity of tonnage has had the effect of throwing almost the whole of this carrying trade into the hands of the Japanese, according to the *New York Journal of Commerce*. Contracts entered into on an original calculation of 150s. per ton for shipment by British steamers are now, it is stated, being carried out by British merchants shipping the goods to Japan and having them carried from thence at a rate of freight of from 900s. to 1,000s. per ton measurement.

As was expected, the conclusion of the peace armistice has brought about quite an insistent demand for Liberty Bonds, and recent issues of San Francisco papers contain several columns of advertisements of Bond Brokers who are offering the purchase of the earlier issues of Liberty Bonds. One advertisement offers for the first issue 3½ per cent $103.75 for $100 bond. The same broker offers 99.50 for the second issue and $98 for the third issue. These brokers all maintain offices in expensive office buildings in San Francisco and are spending a large amount of money in advertising. Obviously this expenditure must be met by profits they make on the re-sale of the bonds, so it is quite resonable to assume that all of the Liberty Bond issues are now being sold at a price well above that paid for them.

A dividend of Tls. 1.60 per share was authorized at the ninth ordinary meeting of the Kung Yik Cotton Spinning & Weaving Company held in Shanghai January 15, and in his address to the shareholders John Johnstone, the chairman, stated that this dividend, together with the dividends paid out during eight years of working, represented an average annual return to shareholders of 14.25 per cent. Mr. Johnstone stated that future prospects were good as the markets throughout China are bare of stocks and the populace generally is fairly well supplied with money and although high prices restricted consumption yet considering the high prices and short supply of cloth the

Tea Dansant to aid Siberian War Relief Fund

A Tea Dansant will be given at the Carlton Cafe by the American Woman's Club of Shanghai on Wednesday afternoon, January 22. The admission fee will be $1.00, with an extra charge of 50 cents for tea. In addition to the Tea Dansant there will be an exhibition of paintings by Madame Wu Hsing-fen, one of the foremost Chinese lady painters. Madame Wu has donated 30 of these pictures to be sold by the Club. The proceeds realized will go the Siberian War Relief Fund.

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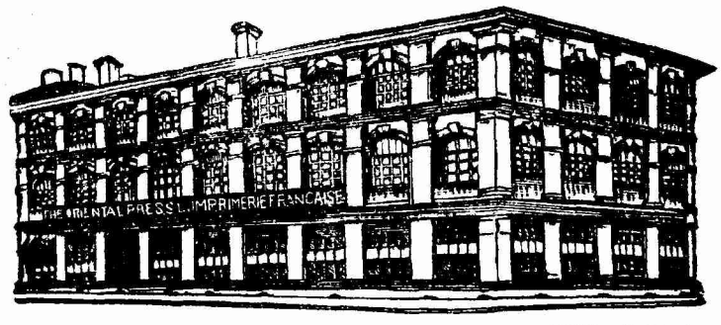

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AGENTS FOR

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world over the mills in China were in a statistically strong position for supplying Chinese requirements. The Kung Yik Mill had the same unfortunate experience as the others with the adulteration of raw cotton, an evil for which appeals to the Chinese government had not brought any amelioration.

According to an estimate made by a leading Japanese shipping firm, the shipping of all the principal nations at the end of October 1918 amounted to 39,891,665 tons, or a loss of 3,980 tons from the total in 1914 just before the war, as recorded in the *World Salesman*. The details of the shipping of the nations are as follows:

	Before the war tons	Oct. 1918 tons
Great Britain.....	20,523,706	17,023,085
Germany	5,134,021	2,645,096
America	4,330,078	7,777,416
Norway	1,957,352	1,502,620
France	1,922,286	1,498,100
Japan	1,708,386	2,200,000
Holland	1,471,710	1,328,368
Italy	1,430,475	1,488,730
Austria-Hungary ...	1,052,346	855,650
Sweden	1,015,364	825,650
Spain	883,926	678,550
Russia	851,949	809,250
Greece	820,861	578,000
Denmark	770,000	681,150

It will be seen the tonnage of these countries shows a considerable decrease except those of the United States, Italy and Japan.

At the Shanghai Hotels.

The following guests have registered at the Astor House Hotel during the week: E. W. Mill, Singapore; V. Frazer, Singapore; S. E. Cornish, Batavia; Byferrz; Mr. and Mrs. W. A. Raider, Tientsin; Mr. and Mrs. B. F. Bennett, Peking; Mr. and Mrs. Bougery, Tientsin; R. A. White; C. B. Sheridan, Newchwang; J. R. Just, Changchun; N. Harrison, Tokio; R. Eyre; Geo. Prior, London; Mr. and Mrs. T. Berenson, Moscow; M. Berenson; H. Gilweg, San Francisco; Mrs. F. N. Berry, Manila; Mrs. N. Peterson, Manila; Mr. and Mrs. Munro, New York; Mr. and Mrs. A. H. Seiger, Yokohama; W. L. Dorsely, Washington; F. H. Robbins, Shanghai; W. H. Dietrich; W. F. Orblman, New York; Mr. and Mrs. A. C. Cutter, New York; P. J. Rasmessen, Copenhagen; Mr. and Mrs. G. A. Pratt, New York; Mr. and Mrs. Skidelsky; J. Yavkynsky; Mr. and Mrs. Soskin, Harbin; Mrs. L. S. Roberts, San Francisco; A. A. Claxton, London; G. C. Mason, Hongkong; A. W. Cooper, London; C. S. Coulton, Hankow; Mr. and Mrs. Jordon, Chinwangtao; Mrs. Alabaster, Nanking; L. Schen, Dairen; Dr. R. R. Fernback; S. R. P. Martin; P. MacArthur; Mrs. M. R. Mullen, Kuling; Baron and Baroness Maydell, Peking; Dr. C. C. Wong, Hangchow; F. C. Millington, Hongkong; Mr. and Mrs. Molien, Hongkong; W. C. Howell; Mrs. L. R. Larson, Hongkong; C. Z. Dunn, Chicago; B. Blis, Shanghai; Mrs. I. Anderson, Shanghai; D. Inness, Vladivostock; A. S. Wheeler, London; R. L. Chensworth, Hankow; Mr. and Mrs. Gritzman.

The following guests have registered at the Palace Hotel during the week: Mr. and Mrs. P. C. Hudson; G. Nedler, Hongkong; Mrs. Smernoff and child; S. Ivanoff, Hongkong; M. O. Albertson, Hongkong; Judge W. Yikohu, Peking; Darcy Weatherbe; R. M. Hodgson; Capt. Champoicence, Hongkong; H. James; Mrs. F. Menigog, Peking; Rao, Hongkong; Hantheeorue; Mr. and Mrs. E. Hamkins; J. F. Black, San Francisco; H. L. Alt and family, Local; H. W. Fiedlder, Local; A. P. Chase, New York; D. Y. Busiere, Peking; Dr. W. T. Watt; Chas. A. King, Tientsin; D. Barrinoff; Mrs. Vergara and family; A. Pugnalin; Mr. and Mrs. P. J. Dalie, New York; Mr. and Mrs. B. van Exter, Chefoo; Capt. Staekett; B. John Hind, Foochow; Mrs. Maremont, Vladivostock; Miss Shneiderman, Vladivostock; Leniavskey, Peking; Mr. and Mrs. Berkin, Kiukiang; Mrs. J. Munro, Hankow, King Yi-do; Sun Pao-chi; John Irvine, Nanking; S. Wilkinson, Nanking; Schviravski; R. B. Danny; K. Ishii, Yokohama.

The following guests have registered at the Grand Hotel Kalee during the week: Mr. and Mrs. S. D. Main, Hangchow; Wargbrett, Harbin; S. Gaffe, Vladivostock; E. Gammeter, Hongkong; Miss Porter, Hongkong; Mr. and Mrs. S. Valmont, Paris; Mr. and Mrs. C. B. Perkins, America; Mr. C. B. Jarka, Kobe; Mrs. L. Kagin, Dalny; S. W. Ellis, Nanking; S. Scher, Dairen; Mr. and Mrs. J. Jendsen.

New Books and Publications

American Banking

Organized Banking, by Eugene E. Agger, Ph. D., Associate Professor of Economics in Columbia University. New York: Henry Holt & Company, 1918.

DR. AGGER'S book "grew out of part of a course on the subject of money and banking given by the author at Columbia University." The author is a student of banking and a frequent contributor to financial and economic magazines upon the subject of the Federal Reserve System. The book is a good study of the general principles of commercial banking and of recent American banking history. No better reference book can be put into the library or office or school upon the organization and working of the Federal Reserve Banks which have been said to be "quite different from anything elsewhere in the world." The book consists of five parts, unequal both in length and in value. There is an introductory chapter upon the general economic functions of a banking system. There are ten chapters upon the principles of commercial banking; a single chapter upon banking in England, France and Germany; a chapter on the history of banking in the United States before 1914 and two chapters on the Federal Reserve System. Finally there is an appendix which is a reprint of the Federal Reserve Act and of the Regulations of the Federal Reserve Board (series of 1917). In the introduction the economic function of banking is said to be the gathering together of the savings of the community, the promotion of productive investment, and the rapid utilization of the resulting capital. These functions are well set forth. There is some ambiguity in the use of the word "productive." The author uses the word to mean such investment as will bring about a vendible product of a higher value, and he uses it, in other places, to mean such investment as will bring into being a socially useful capital good. He does not seem to take into account the fact that these two meanings may conflict. The second part of the book is a discussion of the principles of commercial banking, a chapter on "Deposits vs. Notes," two chapters on the "Elasticity of Bank Credit," a subject that has been much discussed in the criticism of the American National banks; two chapters on exchange, domestic and foreign; two chapters upon banking reserves; and a final chapter on the "Requirements of a Good Banking System." The reader who is familiar with banking and who wishes to get at Professor Agger's principles quickly will do well to begin the book at Chapter 10, the one mentioned last. The third part of the book, the chapter upon banking in England, France and Germany, is so condensed that it is not possible to condense it further. The fourth part of the book which deals with American banking is the most interesting to an American reader. The whole discussion proceeds upon one of Professor Agger's fundamental principles. His reasoning is this: "The peculiar functions and the great importance of commercial banking render it highly desirable if not absolutely essential that it should be organized on a national scale," and the next step, "Mobilization of reserves would appear to be . . . . one of the first require-

ments of a good banking system." These two fundamentals, the necessity for national organization and the necessity for mobilization of reserves, he brings to his discussion of the Federal Reserve System. This system has been said by another writer to be an endeavor to secure the advantages of centralization without centralization itself. So we may expect Professor Agger to be a good critic of the Federal Reserve System. If it is not sufficiently centralized to have its reserves "mobilized" in his meaning of the term we may expect him to condemn it. He is not prejudiced, as so many Americans are, against centralization. Professor Agger mentions in the course of his discussion the following results of the state of war. The war has reduced the dependence of the world on London for exchange purposes and it has brought about attempts to stimulate the use of so-called "dollar exchange." The Aldrich-Vreeland Act, a measure that has been vigorously attacked, rendered excellent service during the first year of the war. The Federal Reserve Board has supplied a much needed leadership at times during the war. The Board took the lead in establishing a special gold pool to tide over the foreign exchange market early in the war. It supported the St. Louis plan to establish a 150 million dollar cotton loan fund.

If Professor Agger's book is to be used in instruction in China or if it is going to be read by the Chinese student of banking (it deserves both) there are various comments that need to be made. Referring to part one of the book, as it has been divided for this review, the close relation between the government and banking in this country makes it important that a distinction should be emphasized that Professor Agger, writing with the United States in mind, did not need to make. From the point of view of the community the function of a banking system, on the one hand, is to bring together and to apply to productive investment the savings of the community. By the word productive is meant here such investment as will add to the industrial outfit, the actual wealth producing machinery of the country. Banks have at times brought about investment in government bonds or have loaned money to governments when the final result of the transaction was by no means the improvment of the capital outfit of the country or any increase in its wealth producing machinery. This looks like investment to the banks and from the point of view of the bank it is so; but from the point of view of the community it is not investment at all. This distinction between what has been called "aquisitive capital" and what is called capital by the economist needs to be borne in mind and to be applied as a test to operations of the government banks of China. The author brings out the enormous proportions to which the use of checks has grown, especially in England and the United States. A vigorous development of private banking and of the use of checks or some similar device might be one way to check the reckless issue of notes. The difficulties of such a development as this are very great but the suggestion is worth study. Another matter for the consideration of the Chinese student is the fact, which Professor Agger points out in more than one place, that for a commercial bank the most satisfactory investment is paper growing out of commerical transactions, such paper, called "commercial paper" by Professor Agger, has the advantage that it "liquidates itself." This lesson needs to be learned by the bankers of China. Professor Agger mentions the subject of cooperative credit and he could do no more than mention it in a study of the sort that he was making. But it is a matter of great importance to the student of economic conditions in this country. India has taken steps toward the use of cooperative credit that Chinese may well study. It may be said in conclusion that no better service can be done to the student, the official or the banker who desires to know what America did in 1914 and how the changes are working out, than to urge him to get Professor Agger's excellent book and read it.

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WILLIAM A. CHAPMAN,
Acting Clerk.

Recent Filings:

January 9, 1919; Cause No. 716; In re Last Will and Testament of Murdo M. Mackenzie, deceased; (supplemental administration *de bonis non*); oath of administrator *de bonis non.*

" 10, " Cause No. 716; In re Last Will and Testament of Murdo M. Mackenzie, deceased, (supplemental administration *de bonis non*); bond of administrator *de bonis non*; letters of administration *de bonis non.*

" 10, " Cause No. 728; In re Last Will and Testament of Lewis W. Mustard, deceased; oath and bond of executor; letters testamentary.

" 10, " Cause No. 670; In re Estate of Charles J. Whitney, deceased; inventory.

" 13, " Cause No. 661; A. Tapelisky et al. v. Manchurian-American Trading Corporation; depositions.

„ 15, „ Cause No. 708; In re Last Will and Testament of Ellen McGrath Jansen, deceased; deposition.

„ 15, „ Cause No. 709; Hsai Chin On v. The Barkley Co., Inc.; confession of judgment.

„ 15, „ Cause No. 710; Liddell Brothers & Co., v. The Barkley Co., Inc.; confession of judgment.

„ 15, „ Cause No. 673; Andersen, Meyer & Co., Ltd., v. William K. Grove; motion for service of summons by publication; affidavit.

Hearings:

January 13, 1919; Cause No. 661; A. Tapelisky et al. v. Manchurian-American Trading Corporation.

Judgments and Orders:

January 9, 1919; Cause No. 716; In re Last Will and Testament of Murdo M. Mackenzie, deceased, (supplemental administration *de bonis non*); appointing administrator *de bonis non.*

„ 14, „ Cause No. 717; Biddle v. Biddle; decree.

„ 16, „ Cause No. 673; Andersen, Meyer & Co., Ltd., v. William K. Grove; directing service of summons of publication.

Assignments for Hearing:

February 10, 1919; Cause No. 661; A. Tapelisky et al. v. Manchurian-American Trading Corporation.

Index to United States Court Material

Vols. V and VI, MILLARD'S REVIEW

DECISIONS (BY SUBJECT)

ADULTERY
- Proof ..... VI, 167
- Prosecution for ..... VI, 167

ASSAULT
- Grades ..... VI, 207
- Prosecution for ..... VI, 207

BURDEN OF PROOF (SEE EVIDENCE)

CARRIERS
- Bills of Lading: correction ... VI, 83
- Charges: election ..... VI, 83

CITIZENSHIP
- Certificate of ..... VI, 204

CONSPIRACY
- Essentials ..... VI, 249
- Proof ..... VI, 249
- What constitutes ..... VI, 249

CONTEMPT
- Evidence ..... V, 241

CONTRACTS
- Avoidance ..... V, 43
- Damages ..... VI, 378
- Divisibility ..... VI, 82, 241
- Employment ..... V, 82, 241
- Injunction to enforce ..... V, 82, 241
- Interpretation ..... VI, 378
- Performance ..... VI, 378
- Remedy ..... VI, 82
- Restraint of Trade ..... V, 82, 241

CORPORATIONS (Foreign) ..... V, 43
- Conditions of doing business. V, 43
- Who may invoke restrictions ..... V, 43

CRIMES (See also specific offenses)
- Averment of time ..... VI, 204
- Intent ..... VI, 204, 207
- Pleading ..... VI, 204, 207
- Penalties: reduction ..... VI, 291

CUSTOM
- Effect ..... VI, 83

DAMAGES
- For breach of contract of employment ..... VI, 378

DEFAMATION
- Pleading ..... VI, 463, 543

DEPOSITIONS
- General Federal law governs. VI, 463

DIVORCE
- Desertion as ground for ..... V, 162
- Effect ..... V, 162
- Grounds (in general) ..... V, 162
- Jurisdiction ..... V, 162

ELECTION
- Of charges: what constitutes ... VI, 83
- Revocation ..... VI, 83

EVIDENCE
- Burden of proof ..... VI, 378
- Circumstantial ..... VI, 249
- Declarations ..... VI, 249
- Depositions ..... VI, 463
- Impeachment ..... VI, 249
- Of adultery ..... VI, 167
- „ conspiracy ..... VI, 249
- „ contempt ..... V, 241
- „ marriage ..... VI, 167
- Onus probandi ..... VI, 378
- Order of proof ..... VI, 249
- Perpetuation of ..... VI, 292
- Presumption: from possession of stolen goods ..... VI, 249
- from nonproduction of evidence ..... VI, 249
- Res gestae ..... VI, 240
- Rule of reasonable doubt applied ..... VI, 123
- "States" ..... VI, 291

FORGERY
- Of passport ..... VI, 204

INJUNCTIONS
- Violation ..... V, 241

INSANITY
- Complaint ..... VI, 544
- Judgment ..... VI, 544
- Verdict ..... VI, 543

LAWS
- Applicability ..... VI, 167

LIBEL AND SLANDER (SEE DEFAMATION)

MARRIAGE
- Implied consent ..... V, 162
- Presumption ..... V, 162
- Proved by admission ..... VI, 167
- Solemnization ..... V, 162

In the United States Court for China

Andersen, Meyer & Co., Ltd., Plaintiff.
vs.
William K. Grove, Defendant.

Cause No. 673
Civil No. 221

SUMMONS TO ANSWER

THE PRESIDENT OF THE UNITED STATES OF AMERICA to the United States Marshal for China and his deputies,—

GREETING:

You are hereby commanded to serve this Summons to Answer and a copy of the Petition in the above entitled action upon the defendant—

WILLIAM K. GROVE

if found within the jurisdiction of this Court, and to notify him to be and appear before this Court on or before the twentieth day after service hereof to file his written answer hereto on oath.

(SEAL) WITNESS the HONORABLE CHARLES S. LOBINGIER, Judge of the United States Court for China, at Shanghai, China, August 7, 1918.

WILLIAM A. CHAPMAN,
Acting Clerk.

Except from Regulations, Section 8: On proof of due notice, judgment by default shall be procured against any defendant failing to appear and file his written answer as required.

In the United States Court for China

In re Estate of
NELS A. SWENSON, Deceased.

Cause No. 727
Estate No. 274
NOTICE TO CREDITORS

NOTICE is hereby given to all parties interested that the undersigned has been appointed Administrator of the above named decedant's estate in China; that all persons having claims against the said estate are required to present the same for payment, with vouchers, to the undersigned on or before July 11, 1919, and all persons owing the said deceased are required to make payment to the undersigned.

VICTOR E. SWENSON,
Administrator,
Kiahsien, Honan,
China.

January 11, 1919.

NAMES
Change.....VI, 503
PASSPORT
A "certificate of citizenship"..VI, 204
PERJURY
Evidence.....VI, 208
Prosecution.....VI, 208
What constitutes.....VI, 208
PLEADING
In criminal cases.....VI, 204,207
In defamation.....VI, 463,543
PRESUMPTIONS (SEE EVIDENCE)
REASONABLE DOUBT
Rule applied.....VI, 123
RES GESTAE (SEE EVIDENCE)
SALES
Advance payment recoverable when.....VI, 123
Place of shipment material...VI, 123
SLANDER (SEE DEFAMATION)
STATUTES
Applicability.....VI, 167, 493
WILLS
Codicils.....V, 202
Construction.....V, 202
Republication.....V, 202
WITNESSES
Impeachment.....VI, 249
"State's evidence".....VI, 291
WORDS AND PHRASES
"Certificate of citizenship"...VI, 204

In the United States Court for China

In re Estate of
IDA ANSTRICE MOOREHEAD, Deceased.

Cause No. 724
Estate No. 273
NOTICE TO CREDITORS

NOTICE is hereby given to all parties interested that the undersigned has been appointed Administrator of the above named decedent's estate; that all persons having claims against the said estate are required to present the same for payment, with vouchers, to the undersigned on or before July 11, 1919, and all persons owing the said deceased are required to make payment to the undersigned.

THEODORE P. MOOREHEAD,
Administrator,
c/o Public Works Department,
Municipal Council,
Shanghai, China.

January 11, 1919.

In the United States Court for China

In re Last Will and Testament of MURDO M. MACKENZIE, Deceased. (Supplemental Administration *de bonis non*)

Cause No. 716
Estate No.272
NOTICE TO CREDITORS

NOTICE is hereby given to all parties interested that the undersigned has been appointed Administrator *de bonis non* of the above named decedent's estate; that all persons having claims against the said estate are required to present the same for payment, with vouchers, to the undersigned on or before July 11, 1919, and all persons owing the said deceased are required to make payment to the undersigned.

WILLIAM A. CHAPMAN,
Administrator *de bonis non*,
11, Whangpoo Road,
Shanghai, China.

January 11, 1919.

In the United States Court for China

In re Estate of JOHN KAVANAUGH, Deceased.

Cause No. 715
Estate No. 271
NOTICE TO CREDITORS

NOTICE is hereby given to all parties interested that the undersigned has been appointed Administrator of the above named decedent's estate; that all persons having claims against the said estate are required to present the same for payment, with vouchers, to the undersigned on or before June 28, 1919, and all persons owing the said deceased are required to make payment to the undersigned.

HOWARD UPTON,
Administrator,
13 Kiukiang Road,
Shanghai, China.

December 28, 1918.

In the United States Court for China

In re Last Will and Testament of LEWIS W. MUSTARD, Deceased.

Cause No. 728
Estate No. 275
NOTICE TO CREDITORS

NOTICE is hereby given to all parties interested that the undersigned has been appointed Executor of the above named decedent's estate in China; that all persons having claims against the said estate are required to present the same for payment, with vouchers, to the undersigned on or before July 11, 1919, and all persons owing the said deceased are required to make payment to the undersigned.

EDWARD H. DUNNING,
Executor,
64, Bubbling Well Road,
Shanghai, China.

January 11, 1919.

In the United States Court for China

James Harvie and Leslie W. Hutton doing business under the firm name and style of Harvie Cooke and Company, Plaintiffs.
vs.
Muller MacLean and Company, Inc., a corporation, Defendants.

Cause No. 712
Civil No. 232
SUMMONS TO ANSWER

THE PRESIDENT OF THE UNITED STATES OF AMERICA to the United States Marshal for China—

GREETING:

You are hereby commanded to serve this Summons to Answer and a copy of the petition in the above entitled action upon the Defendants—

MULLER MACLEAN AND COMPANY, Inc.,

if found within the jurisdiction of this Court and to notify them to be and appear before this Court on or before the twentieth day after service hereof to file their written answer hereto on oath.

(SEAL) WITNESS the HONORABLE CHARLES S. LOBINGIER, Judge of the United States Court for China, at Shanghai, China, December 11, 1918.

WILLIAM A. CHAPMAN,
Acting Clerk.

Excerpt from Regulations, Section 8: On proof of due notice, judgment by default shall be procured against any defendant failing to appear and file his written answer as required.